

Auditing Procedures Report

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Issued under Public Act 2 of 1968, as amended.

Unit Name	VILLAGE OF DUNDEE	County	MONROE	Type	VILLAGE	MuniCode	58-3-020
Opinion Date	MAY 19, 2008	Audit Submitted		Fiscal Year	2/29/08		

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No".

<input checked="" type="checkbox"/>	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/>	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input type="checkbox"/>	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/>	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/>	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/>	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/>	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/>	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/>	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/>	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/>	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input checked="" type="checkbox"/>	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/>	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? <input type="text" value="NA"/>
<input checked="" type="checkbox"/>	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input checked="" type="checkbox"/>	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/>	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input type="checkbox"/>	18. Are there reported deficiencies?
<input type="checkbox"/>	19. If so, was it attached to the audit report?

General Fund Revenue:	\$ 1,817,251.00
General Fund Expenditure:	\$ 1,370,696.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	\$ 1,980,358.00
Governmental Activities Long-Term Debt (see instructions):	\$ 9,394,908.00

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (Reported deviations).

CPA (First Name)	JAMES R.	Last Name	COOLEY	Ten Digit License Number	1101005761		
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VILLAGE OF DUNDEE
Monroe County, Michigan

ANNUAL FINANCIAL REPORT

February 29, 2008

VILLAGE OF DUNDEE

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Independent Auditor's Report

President and Village Council
Village of Dundee
Dundee, Michigan 48131

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Dundee, Monroe County, Michigan, as of and for the year ended February 29, 2008, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Village of Dundee as of February 29, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, and the budgetary comparison schedules, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Dundee, Monroe County, Michigan basic financial statements. The combining and individual nonmajor fund financial statements, as identified in the table of contents is presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining and individual non major fund financial statement has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Cooley Hehl
Wohlgamuth & Carlton*

May 19, 2008

VILLAGE OF DUNDEE

Management's Discussion and Analysis Year Ended February 29, 2008

As management of the Village of Dundee, Monroe County, Michigan, we offer readers of the Village's financial statements this narrative overview and analysis of the governmental and business-type activities of the Village for the fiscal year ended February 29, 2008. This information should be taken into consideration before reading the Village's financial statements, which immediately follow this section. This summary should not be taken as a replacement for the audit which consist of the financial statements and other supplementary information that presents all the Village's revenues and expenditures by program for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, Enterprise Funds, Internal Service Funds, and Component Units.

The Government Accounting Standards Board (GASB) adopted this report in *Statement No. 34 Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, issued June, 2000.

Financial Highlights

The assets of the Village exceeded its liabilities at the close of the most recent year by \$23,652,897 (net assets). Of this amount, \$4,055,695 (unrestricted net assets) may be used to meet the government's ongoing obligations to its' citizens and creditors.

The government's total net assets increased by \$749,373.

At the close of the year, the Village's governmental funds reported combined ending fund balances of \$4,946,612, a decrease of \$571,218 in comparison with the prior year increase of \$583,115. Approximately 75.7 percent of this amount, or \$3,745,743. is available for spending at the government's discretion (unreserved fund balance).

At the end of the year, the unreserved fund balance for the general fund was \$1,975,699 or 144.1 percent of total general fund expenditures.

The Village's total bonded debt decreased by \$1,332,979 no new debt was issued for the remaining costs to complete the new Village Hall and Riverwalk Improvements.

Overview of the Financial Statements

This report is organized so that the reader can understand the Village of Dundee financially as a whole. This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves. Other supplementary information also includes combining balance sheets/statement of net assets and statement of revenues, expenditures, and changes in fund balance/net assets for each of the Villages component units.

VILLAGE OF DUNDEE

Management's Discussion and Analysis *Year Ended February 29, 2008*

Government-Wide Financial Statements

The Government-Wide Financial Statements (on pages 10 - 13), which appear first in the Villages's financial statements, report information on the Village as a whole and its activities. These statements include all its' assets and liabilities, using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

The Statement of Net Assets presents information on all the Village's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. The Statement of Activities presents information showing how the government's net assets changed during the most recent year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus the revenues and expenses are reported in this statement for some items that will only result in cash flows in the future periods (i.e., earned but unused vacation leave). The relationship between revenues and expenses indicates the Village's operating results. However, the Village's goal is to provide services and economic growth to our residents, not to generate profits as commercial entities do. One must consider many other non financial factors, such as the quality of the services provided and the safety of the public to assess the overall health of the Village.

Both of the government-wide statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. These functions can be divided into three following categories:

Governmental activities - which encompass all the Village's services, including general government services, public safety, and public works. Property taxes, state grants, charges for services, and capital contributions finance most of these activities.

Business-type activities - which include sanitary sewer and water distribution operations.

Component units - which provide special types of financial arrangements that promote economic development and other activities in the community.

The government wide financial statements include not only the Village itself (known as the primary government), but also of legally separate authorities - the Downtown Development Authority, Local Development Finance Authorities #1 and #3, the Economic Development Corporation, and the Brown Field Development Authority - for which the Village is financially accountable. The individual component units are combined and presented separately from the primary government itself on pages 26 - 29.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State Law and by bond covenants. However the Village establishes most of its funds to control and manage money for particular purposes or to show that it is properly using revenues. All of the funds of the Village can be divided into four categories: Governmental funds, Proprietary funds, Fiduciary funds, and Component units.

VILLAGE OF DUNDEE

Management's Discussion and Analysis Year Ended February 29, 2008

Fund Financial Statements - Concluded

Governmental funds - All of the Village's governmental funds are used to account for the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. They are reported using the modified accrual method, which measures cash and all other financial assets that can be converted to cash. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's programs.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are provided for the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, on pages 16 and 19 respectively, to facilitate this comparison between governmental funds and governmental activities.

The Village maintains 31 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, major street, local street, municipal highway, building department, parks and recreation, and capital funds. All of these governmental funds are considered to be and presented as major funds. All other remaining funds are reported as other governmental funds. Combining statements of non-major governmental are presented as other supplementary information.

The Village adopts an annual appropriated budget for its general and special revenue funds. Budgetary comparison statements have been provided herein to demonstrate compliance with those budgets.

The basic governmental fund financial statements can be found on pages 14, 15, 17, and 18 of this report.

Proprietary fund - The Village maintains a proprietary fund to account for its sanitary sewer and water distribution operations (Enterprise Fund). Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as government-wide financial statements, only in more detail. The proprietary fund financial statements present information on the Village's sewer and water operations as one major fund.

The basic proprietary fund financial statements can be found on pages 20 through 24 of this report.

Fiduciary funds - Agency funds are used to account for assets held by the Village as an agent for the collection and disbursement of property taxes and escrow accounts. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

The only basic fund financial statement for Fiduciary funds required to be reported can be found on page 25 of this report.

VILLAGE OF DUNDEE

Management's Discussion and Analysis *Year Ended February 29, 2008*

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 30 through 64 of this report.

Government-Wide Financial Analysis

Recall that the Statement of Net Assets provides a long-term perspective of the Village's financial position. As indicated earlier and on Table 1 of the following page assets exceeded liabilities by \$23,652,897 at the close of the most recent year.

By far the largest portion of the Village's net assets (66.9 percent) reflects its investment in capital assets (land, buildings, systems, vehicles, and equipment), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

As also depicted in Table 1, the Village's unrestricted net assets totaled \$4,055,695. This amount represents the accumulated results of all past years operations. The unrestricted net asset balance is used for working capital and cash flow needs as well as to provide for future uncertainties. It means that if we had to pay all of our bills off today, including all of our noncapital liabilities we could with our current resources. The operating results of the general fund will have a significant impact on the change in unrestricted net assets from year to year.

The results of this year's operations for the Village as a whole are reported in the Statement of Activities (Table 2), which shows the changes in net assets for the fiscal year ended February 29, 2008.

VILLAGE OF DUNDEE

Management's Discussion and Analysis Year Ended February 29, 2008

Table 1:

Condensed Statement of Net Assets February 29, 2008 and 2007

	Activities		Activities		Total	
	2008	2007	2008	2007	2008	2007
Current assets	\$5,561,681	\$6,384,687	\$1,675,760	\$1,399,679	\$7,237,441	\$7,784,366
Restricted assets	0	0	1,443,762	1,502,678	1,443,762	1,502,678
Capital and other noncurrent assets, net	11,654,772	11,017,271	23,746,251	24,339,616	35,401,023	35,356,887
Total Assets	17,216,453	17,401,958	26,865,773	27,241,973	44,082,226	44,643,931
Current and other liabilities	1,713,735	1,743,529	983,331	948,326	2,697,066	2,691,855
Long-term liabilities	8,738,244	9,323,641	8,994,019	9,724,911	17,732,263	19,048,552
Total Liabilities	10,451,979	11,067,170	9,977,350	10,673,237	20,429,329	21,740,407
Net Assets						
Invested in capital assets, net of related debt	1,810,294	820,006	14,017,232	13,919,705	15,827,526	14,739,711
Restricted for:						
Prepaid items	4,659	5,539	0	0	4,659	5,539
Fixed asset replacement	0	0	1,000	1,000	1,000	1,000
Streets and highways	1,684,874	1,341,788	0	0	1,684,874	1,341,788
Parks and recreation	309	1,480	0	0	309	1,480
Historical commission	1,893	29	0	0	1,893	29
Building department	36,222	30,767	0	0	36,222	30,767
Capital improvement	901,892	1,609,542	0	0	901,892	1,609,542
Debt service	341,065	358,935	797,762	891,678	1,138,827	1,250,613
Unrestricted	1,983,266	2,166,702	2,072,429	1,756,353	4,055,695	3,923,055
Total Net Assets	\$6,764,474	\$6,334,788	\$16,888,423	\$16,568,736	\$23,652,897	\$22,903,524

At the end of the year the Village is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

The government's net assets increased by \$749,373 during the calendar year ended. This increase is primarily attributable to a grant received from the State of Michigan related to the Global Engine Alliance/Local Development Finance Authority Project.

VILLAGE OF DUNDEE

Management's Discussion and Analysis Year Ended February 29, 2008

As indicated in Table 2, the cost of all governmental activities this year was \$2.554 million. Of this amount \$0.319 million was subsidized with revenue generated from charges for services with the remaining costs financed with grants and general revenues. The cost of business-type activities was \$2.724 million.

The Village experienced an increase in net assets of governmental activities of \$429,686. However, a significant amount will have to be paid for installment loans. This factor will have a significant negative impact on the increase in net assets for governmental activities. The Village experienced an increase in net assets of business-type activities of \$319,687.

Table 2:

Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues						
Program revenues						
Charges for services	\$318,556	\$398,261	\$1,849,871	\$1,680,074	\$2,168,427	\$2,078,335
Grants and contributions	340,633	539,890	0	0	340,633	539,890
	659,189	938,151	1,849,871	1,680,074	2,509,060	2,618,225
General revenues						
Property taxes	1,720,801	1,607,297	225,557	200,535	1,946,358	1,807,832
State grants (revenue sharing)	289,783	289,373	0	0	289,783	289,373
Other	330,549	337,812	157,690	290,051	488,239	627,863
	2,341,133	2,234,482	383,247	490,586	2,724,380	2,725,068
Total Revenues	3,000,322	3,172,633	2,233,118	2,170,660	5,233,440	5,343,293
Functions/Program Expenses						
Legislative	20,659	22,031	0	0	20,659	22,031
General government	539,401	467,374	0	0	539,401	467,374
Public safety	795,388	719,322	0	0	795,388	719,322
Public works	495,767	554,703	0	0	495,767	554,703
Culture and recreation	257,691	70,171	0	0	257,691	70,171
Capital improvements	1,149	50,154	0	0	1,149	50,154
Economic development	0	406,468	0	0	0	406,468
Insurance	19,812	21,181	0	0	19,812	21,181
Interest on long-term debt	423,945	499,627	0	0	423,945	499,627
Water department	0	0	1,273,217	1,200,740	1,273,217	1,200,740
Sewer department	0	0	1,451,153	1,229,792	1,451,153	1,229,792
Total Expenses	2,553,812	2,811,031	2,724,370	2,430,532	5,278,182	5,241,563
Increase in Net Assets						
Before Transfers	446,510	361,602	(491,252)	(259,872)	(44,742)	101,730
Gain on the sale of asset	6,000	0	0	0	6,000	0
Transfers	(22,824)	38,547	810,939	699,243	788,115	737,790
Increase in Net Assets	\$429,686	\$400,149	\$319,687	\$439,371	\$749,373	\$839,520

VILLAGE OF DUNDEE

Management's Discussion and Analysis *Year Ended February 29, 2008*

Fund Financial Analysis

As noted earlier, the Village uses funds to help control and manage money for specific purposes. Looking at funds helps the reader consider whether the Village of Dundee's Management is being held accountable for resources taxpayers and others provide to it and may give more insight into the Village's overall financial health.

Fund Financial Analysis - Concluded

As the Village completed the latest fiscal year, governmental funds reported a combined balance of \$4,946,612, which is a decrease of \$571,218 from last year. The changes by fund are as follows:

	<u>General Fund</u>	<u>Special Revenue Funds</u>	<u>Debt Retirement Funds</u>	<u>Capital Projects Funds</u>	<u>Total</u>
Fund balances - Beginning of year	\$2,175,289	\$1,374,064	\$358,935	\$1,609,542	\$5,517,830
Increase (decrease)	<u>(194,931)</u>	<u>349,233</u>	<u>(17,870)</u>	<u>(707,650)</u>	<u>(571,218)</u>
Fund balances End of year	<u>\$1,980,358</u>	<u>\$1,723,297</u>	<u>\$341,065</u>	<u>\$ 901,892</u>	<u>\$4,946,612</u>

The Village's General Fund Balance increase is comparable to the prior year due to many factors. The tables that follow assist in illustrating the financial activities of the General Fund.

	<u>February 29, 2008</u>	<u>February 28, 2007</u>	<u>Percent Change</u>
Revenues			
Property taxes	\$1,180,345	\$1,123,282	5.08%
Licenses and permits	56,124	51,757	8.44
State revenue sharing	289,783	289,373	-
Interest and rentals	213,797	192,878	10.85
Other	<u>77,202</u>	<u>61,278</u>	25.99
Total Revenues	<u>\$1,817,251</u>	<u>\$1,718,568</u>	5.74%

	<u>February 29, 2008</u>	<u>February 28, 2007</u>	<u>Percent Change</u>
Expenditures			
Legislative	\$ 20,659	\$ 22,031	(6.22)%
General government	339,478	338,442	0.31
Public safety	596,278	487,029	22.43
Public works	234,025	373,860	(37.40)
Culture and recreation	160,444	112,235	42.95
Insurance	<u>19,812</u>	<u>21,181</u>	(6.46)
Total Expenditures	<u>\$1,370,696</u>	<u>\$1,354,778</u>	1.17 %

VILLAGE OF DUNDEE

Management's Discussion and Analysis *Year Ended February 29, 2008*

General Fund Budgetary Highlights

The Uniform Budget Act of the State of Michigan requires the Village of Dundee Council to adopt the original budget prior to March 1, the start of the fiscal year. Over the course of the year the Village reviewed and amended its budget for unexpected changes in revenues and expenditures. State law requires that the budget be amended to ensure that the expenditures do not exceed appropriations. A schedule illustrating the Village's original and final budget amounts compared with amounts actually paid and received is provided in the required supplementary information of these statements.

Long-term Contract, Capital Assets and Debt Administration

As of February 29, 2008, the Village had \$35.40 million invested in a broad range of capital assets, including land, building and improvements, machinery and equipment, vehicles, as well as water and sewer systems. The Village completed its Industrial Pretreatment Plant with a final cost of \$2.7 million. Other additions which totaled \$.983 million included \$36,641 of equipment for the new Village Hall, \$24,521 for new vehicle equipment, \$694,802 for River Walk improvements, and \$194,012 for new DPW buildings. No new debt was issued for these additions. Depreciation this year totaled \$345,714 for governmental activities and \$647,434 for business-type activities. Details regarding capital assets is included in Note 9 to the financial statements.

Debt

At February 29, 2008, the Village's debt consisted mainly of contracts and general obligation for water and sewage disposal system construction. Total debt outstanding including compensated absences was \$37,132,256 as of February 29, 2008. The repayment of debt will be financed partially by tax increment financing and special assessments administered through the Village's Tax Collection Agency Fund which collects special assessments for the Village's Enterprise Fund. A detail summary of changes in long-term debt is located in Note 11 to the financial statements.

Development of the 2008-2009 Fiscal Year Budget

Our elected officials considered many factors when setting the Village's 2008-2009 fiscal year budget. Based primarily on the last fiscal year's spending patterns, thought is also given to factors affecting the budget, like decreased revenue as a result of reduced millage rates. The Village has taken several measures to help control the rising costs of governmental services. We will continue to watch our budget closely as we continue to upgrade our development programs and roads using money received from property taxes.

Economic Factors

During the 2007 - 2008 fiscal year, the Village started new bank accounts designated for debt service money received to retire debt on 2006 and 2007 general obligations issued for construction on the Riverwalk Improvements. As the Village continues to undergo new development, it will collect water and sewer connection fees to be applied against its outstanding debt in the water and sewer fund. The Village continues to employ an engineer to oversee all of the new development currently in progress within the Village.

Contacting the Village of Dundee

This financial report is designed to provide the Village's citizens, taxpayers, customers, investors, and creditors with a general overview of the Village's finances to demonstrate its accountability for the money it receives. If you have any questions about this report or any other information, contact the Village of Dundee Finance Director, 350 West Monroe Street, Dundee, MI 48131. Our phone number is (734) 529-3430.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

VILLAGE OF DUNDEE

Statement of Net Assets

February 29, 2008

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Assets				
Current assets				
Cash and money management accounts	\$4,741,995	\$1,333,379	\$6,075,374	\$2,673,853
Receivables:				
Delinquent taxes	197,717	15,991	213,708	0
Accounts	22,627	347,745	370,372	0
Special Assessments	491,003	0	491,003	0
Internal balances	36,309	(32,780)	3,529	(3,529)
Due from other governmental units	62,232	849	63,081	868,559
Accrued interest receivable	4,542	0	4,542	1,723
Prepaid expenses	5,256	10,576	15,832	0
Total current assets	<u>5,561,681</u>	<u>1,675,760</u>	<u>7,237,441</u>	<u>3,540,606</u>
Restricted assets				
Cash and money management accounts	0	1,252,356	1,252,356	316,447
Cash with fiscal agent	0	101,686	101,686	0
Bond issuance costs (net of amortization)	0	89,720	89,720	115,500
Total restricted assets	<u>0</u>	<u>1,443,762</u>	<u>1,443,762</u>	<u>431,947</u>
Noncurrent assets				
Capital assets:				
Nondepreciated	4,293,395	135,112	4,428,507	6,040,047
Depreciated, net	7,361,377	23,611,139	30,972,516	10,673,864
Total capital assets	<u>11,654,772</u>	<u>23,746,251</u>	<u>35,401,023</u>	<u>16,713,911</u>
Total assets	<u>17,216,453</u>	<u>26,865,773</u>	<u>44,082,226</u>	<u>20,686,464</u>
Liabilities				
Current liabilities				
Accounts payable	154,344	40,045	194,389	0
Accrued wages	10,620	7,843	18,463	0
Accrued interest	501,747	146,341	648,088	0
Other liabilities	0	26,876	26,876	0
Accrued compensated absences	52,232	27,226	79,458	0
Deferred revenue	390,305	0	390,305	0
Current portion of long term debt				
net of related discount	604,487	735,000	1,339,487	235,000
Total noncurrent liabilities	<u>1,713,735</u>	<u>983,331</u>	<u>2,697,066</u>	<u>235,000</u>
Noncurrent liabilities				
Bonds payable (net of related discount)	<u>8,738,244</u>	<u>8,994,019</u>	<u>17,732,263</u>	<u>17,658,486</u>
Total liabilities	<u>10,451,979</u>	<u>9,977,350</u>	<u>20,429,329</u>	<u>17,893,486</u>

See accompanying notes to the basic financial statements

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
Net Assets				
Invested in capital assets net of related debt	\$1,810,294	\$14,017,232	\$15,827,526	(\$1,201,154)
Restricted for:				
Prepaid items	4,659	0	4,659	0
Fixed asset replacement	0	1,000	1,000	0
Streets and highways	1,684,873	0	1,684,873	0
Parks and recreation	309	0	309	0
Historical commission	1,893	0	1,893	0
Building department	36,222	0	36,222	0
Capital improvements	901,892	0	901,892	0
Debt service	341,065	797,762	1,138,827	765,462
Unrestricted	1,983,267	2,072,429	4,055,696	3,228,670
 Total net assets	 \$6,764,474	 \$16,888,423	 \$23,652,897	 \$2,792,978

VILLAGE OF DUNDEE

Statement of Activities Year Ended February 29, 2008

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
Legislative	\$20,659	\$0	\$0	\$0
General government	539,401	176,296	0	0
Public safety	795,388	4,967	0	0
Public works	495,767	0	237,307	0
Culture and recreation	257,691	0	0	0
Capital improvements	1,149	0	0	103,326
Insurance	19,812	0	0	0
Interest on long-term debt	423,945	137,293	0	0
Total governmental activities	2,553,812	318,556	237,307	103,326
Business-type activities				
Water Department	1,273,217	967,870	0	250,121
Sewage Department	1,451,153	882,001	0	(250,121)
Total business-type activities	2,724,370	1,849,871	0	0
Total primary government	\$5,278,182	\$2,168,427	\$237,307	\$103,326
Component units				
Downtown Development Authority	\$77,064	\$0	\$0	\$0
LDFA - Water Plant	800	0	0	0
LDFA - Global Engine	425,840	0	0	0
Economic Development - Cabelas	625,199	0	0	0
Brownfield Redevelopment	274,948	0	0	0
Total Component Units	\$1,403,851	\$0	\$0	\$0

General revenues

Taxes

Property taxes

State revenue sharing

Tap Fees

Interest and rentals

Other

Gain on sale of assets

Transfers

Total general revenues and transfers

Change in net assets

Net assets, March 1, 2007

Net assets, February 29, 2008

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
(\$20,659)	\$0	(\$20,659)	
(363,105)	0	(363,105)	
(790,421)	0	(790,421)	
(258,460)	0	(258,460)	
(257,691)	0	(257,691)	
102,177	0	102,177	
(19,812)	0	(19,812)	
(286,652)	0	(286,652)	
(1,894,623)	0	(1,894,623)	
0	(55,226)	(55,226)	
0	(819,273)	(819,273)	
0	(874,499)	(874,499)	
(1,894,623)	(874,499)	(2,769,122)	
			(\$77,064)
			(800)
			(425,840)
			(625,199)
			(274,948)
			(1,403,851)
1,720,801	225,557	1,946,358	2,050,028
289,783	0	289,783	0
0	84,697	84,697	0
251,631	72,993	324,624	67,683
78,918	0	78,918	300
6,000	0	6,000	0
(22,824)	810,939	788,115	(788,115)
2,324,309	1,194,186	3,518,495	1,329,896
429,686	319,687	749,373	(73,955)
6,334,788	16,568,736	22,903,524	2,866,933
\$6,764,474	\$16,888,423	\$23,652,897	\$2,792,978

FUND FINANCIAL STATEMENTS

VILLAGE OF DUNDEE

Balance Sheet Governmental Funds February 29, 2008

	General Fund	Major Street Fund	Local Street Fund	Industrial Park/ Equipment Purchase Fund
Assets				
Cash and money management accounts	\$1,808,227	\$251,446	\$147,922	\$735,274
Receivables:				
Accounts	22,627	0	0	0
Delinquent taxes	113,159	0	0	0
Special assessments	0	0	0	0
Due from other funds	113,765	2,381	0	0
Due from other governmental units	49,812	0	0	0
Accrued interest receivable	2,626	373	131	552
Prepaid expenses	4,659	0	0	0
Total Assets	<u>\$2,114,875</u>	<u>\$254,200</u>	<u>\$148,053</u>	<u>\$735,826</u>
Liabilities				
Accounts payable/retainage	\$90,249	\$3,597	\$2,184	\$43,536
Accrued wages	7,720	1,545	988	0
Due to other funds	9,248	26,827	19,170	0
Deferred revenues	27,300	0	0	0
Total Liabilities	134,517	31,969	22,342	43,536
Fund Balance				
Reserved for capital improvements	0	0	0	645,543
Reserved for prepaid items	4,659	0	0	0
Reserved for debt service	0	0	0	0
Unreserved:				
Undesignated, reported in:				
General fund	1,975,699	0	0	0
Special revenue funds	0	222,231	125,711	0
Capital improvement funds	0	0	0	46,747
Total Fund Balances	<u>1,980,358</u>	<u>222,231</u>	<u>125,711</u>	<u>692,290</u>
Total Liabilities and Fund Balances	<u>\$2,114,875</u>	<u>\$254,200</u>	<u>\$148,053</u>	<u>\$735,826</u>

See accompanying notes to the basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$1,739,326	\$4,682,195
0	22,627
84,558	197,717
491,003	491,003
12,218	128,364
0	49,812
860	4,542
597	5,256
<u>\$2,328,562</u>	<u>\$5,581,516</u>
\$14,778	\$154,344
367	10,620
24,390	79,635
<u>363,005</u>	<u>390,305</u>
402,540	634,904
209,602	855,145
0	4,659
341,065	341,065
0	1,975,699
1,375,355	1,723,297
<u>0</u>	<u>46,747</u>
<u>1,926,022</u>	<u>4,946,612</u>
<u>\$2,328,562</u>	<u>\$5,581,516</u>

VILLAGE OF DUNDEE

Reconciliation of Total Governmental Fund Balance To Net Assets of Governmental Activities February 29, 2008

Total Governmental Fund Balance		\$4,946,612
Amounts reported for governmental activities in the statement of net assets are different because:		
Internal Service Funds are used by the Village of Dundee to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with the governmental activities in the statement of net assets.		
Total internal service fund net assets		59,800
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		
Governmental noncurrent assets	\$13,614,733	
Less accumulated depreciation	<u>(1,959,961)</u>	
		11,654,772
Long-term liabilities including accrued compensated absences and long-term general obligations are not due and payable in the current year and therefore are not reported in the governmental funds.		
		(9,394,963)
Interest amounts on long term liabilities are not payable until due in the funds		
		<u>(501,747)</u>
Total Net Assets of Governmental Activities		<u>\$6,764,474</u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds February 29, 2008

	General Fund	Major Street Fund	Local Street Fund	Industrial Park/ Equipment Purchase
Revenues:				
Taxes	\$1,180,345	\$0	\$0	\$0
Special assessments	0	0	0	0
Licenses and permits	56,124	0	0	0
Federal grants	0	0	0	103,326
State grants	289,783	174,060	63,247	0
Fines and forfeits	4,967	0	0	0
Interest and rentals	213,797	9,328	3,537	23,951
Other revenues	72,235	0	1,583	0
Total Revenues	1,817,251	183,388	68,367	127,277
Expenditures:				
Legislative	20,659	0	0	0
General government	339,478	0	0	0
Public safety	596,278	0	0	0
Public works	234,025	199,900	119,857	0
Culture and recreation	160,444	0	0	0
Capital outlay	0	0	0	879,600
Insurance	19,812	0	0	0
Debt service	0	0	0	0
Total Expenditures	1,370,696	199,900	119,857	879,600
Excess (Deficiency) of Revenues over Expenditures	446,555	(16,512)	(51,490)	(752,323)
Other Financing Sources (Uses):				
Proceeds from sale of assets	6,000	0	0	0
Operating transfers in	22,000	60,000	85,000	95,000
Operating transfers (out)	(669,486)	(33,525)	0	(76,716)
Total Other Financing Sources (Uses)	(641,486)	26,475	85,000	18,284
Net Change in Fund Balances	(194,931)	9,963	33,510	(734,039)
Fund Balances - Beginning of Year	2,175,289	212,268	92,201	1,426,329
Fund Balances - End of Year	\$1,980,358	\$222,231	\$125,711	\$692,290

See accompanying notes to the basic financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$540,456	\$1,720,801
137,293	137,293
120,172	176,296
0	103,326
0	527,090
0	4,967
87,914	338,527
5,100	78,918
890,935	3,087,218
0	20,659
0	339,478
215,285	811,563
0	553,782
78,542	238,986
0	879,600
1,000	20,812
776,732	776,732
1,071,559	3,641,612
(180,624)	(554,394)
0	6,000
776,809	1,038,809
(281,906)	(1,061,633)
494,903	(16,824)
314,279	(571,218)
1,611,743	5,517,830
\$1,926,022	\$4,946,612

VILLAGE OF DUNDEE

*Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Statement of Activities - Governmental Funds
February 29, 2008*

Net Change in Fund Balances - total governmental funds		(\$571,218)
Amounts reported for governmental activities in the Statement of Net Assets are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives or shown as a capital contribution to the water and sewage disposal departments:		
Expenditures for capital assets	\$983,215	
Less current year depreciation	<u>(345,714)</u>	
		637,501
Accrued Interest payable is recorded when due in the governmental activities in the statement of activities.		(160,162)
Compensated absences not payable from current year resources are not reported as expenditures of the current year. In the Statement of Activities, these costs represent expenses of the current year.		7,917
Repayment of bond principal is an expenditure in the governmental funds, but the repayment of bonds reduces long-term liabilities in the Statement of Net Assets.		512,949
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service funds is reported with the governmental activities.		<u>2,699</u>
Change in Net Assets of Governmental Activities		<u>\$429,686</u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

Statement of Net Assets Proprietary Funds February 29, 2008

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
Assets		
Cash and money management accounts	\$1,333,379	\$59,800
Receivables - accounts	347,745	0
- taxes	15,991	0
Due from other funds	918	0
Prepaid expenses	10,576	0
Total Current Assets	<u>1,708,609</u>	<u>59,800</u>
 Restricted assets:		
Cash and money management accounts	1,252,356	0
Cash with fiscal agent	101,686	0
Bond issuance costs (net of amortization)	89,720	0
Total Restricted Assets	<u>1,443,762</u>	<u>0</u>
 Noncurrent assets		
Land and buildings	19,685,298	0
Machinery and equipment	11,354,302	0
Construction in progress	81,296	0
	31,120,896	0
Less: accumulated depreciation	(7,374,645)	0
Net Capital Assets	<u>23,746,251</u>	<u>0</u>
 Total Assets	<u>\$26,898,622</u>	<u>\$59,800</u>

See accompanying notes to the basic financial statements

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
Liabilities		
Current Liabilities (payable from current assets):		
Accounts payable	\$40,045	\$0
Accrued payroll	7,843	0
Due to other funds	32,849	0
Other liabilities	26,876	0
Accrued interest	146,341	0
Accrued compensated absences	27,226	0
Current portion state revolving fund-sewer	90,000	0
Total Current Liabilities (payable from current assets)	371,180	0
Current Liabilities (payable from restricted assets):		
Current portion of contract payable - sewer	200,000	0
Current portion of contract payable - sewer	200,000	0
Current portion of bonds payable - water/sewer	15,000	0
Current portion of bonds payable - water/sewer	15,000	0
Current portion of contract payable - water	130,000	0
Current portion of bonds payable - water/sewer	15,000	0
Current portion of contract payable - water	70,000	0
Total Current Liabilities (payable from restricted assets)	645,000	0
Long-Term Liabilities (payable from current assets):		
State revolving fund loan - sewer	565,000	0
Total Long-term Liabilities (payable from current assets)	565,000	0
Long-Term Liabilities (payable from restricted assets):		
Contract payable - sewer (net of \$40,625 discount)	4,379,375	0
Contract payable - sewer (net of \$773 discount)	194,227	0
Bonds payable - water/sewer	85,000	0
Contract payable - water (with \$878 premium)	445,878	0
Bonds payable - water/sewer (net of \$144 discount)	14,856	0
Bonds payable - sewer	245,000	0
Contract payable - water(net of \$25,317 discount)	3,064,683	0
Total Long-term Liabilities (payable from restricted assets)	8,429,019	0
Total Liabilities	10,010,199	0
Net Assets		
Invested in Capital Assets Net of Related Debt	14,017,232	0
Restricted for: Replacement fund	1,000	0
Debt retirement and construction	797,762	0
Unrestricted	2,072,429	59,800
Total Net Assets	16,888,423	59,800
Total Liabilities and Net Assets	\$26,898,622	\$59,800

VILLAGE OF DUNDEE

Statement of Revenues, Expenses, and Changes in Net Assets Proprietary Funds Year Ended February 29, 2008

	Business-type Activities			Governmental
	Enterprise Fund			Activities
	Water	Sewer	Totals	Internal
	Department	Department		Service Funds
Operating Revenues:				
Charges for services	\$955,885	\$871,062	\$1,826,947	\$0
Hydrant rental	4,700	0	4,700	0
Penalties	7,285	10,939	18,224	0
Other revenue	0	0	0	0
Total Operating Revenues	967,870	882,001	1,849,871	0
Operating Expenses:				
Operating and maintenance wages	142,943	188,110	331,053	0
Clerical salaries	34,329	34,329	68,658	0
Employee benefits	56,945	83,731	140,676	0
Training	1,566	1,908	3,474	0
Utilities and telephone	20,069	176,095	196,164	0
Water supply and system maintenance	473,776	74,910	548,686	0
Chemicals	0	21,245	21,245	0
Laboratory supplies	2,605	10,734	13,339	0
Insurance	26,285	26,285	52,570	0
Office supplies	1,278	3,679	4,957	0
Professional services	3,795	3,795	7,590	0
Depreciation and amortization	323,024	500,118	823,142	0
Miscellaneous expense	9,801	2,333	12,134	0
Engineering fees	1,245	14,284	15,529	0
Vacation and sick pay	92	(149)	(57)	0
Sanitation	525	38,165	38,690	0
Total Operating Expenses	1,098,278	1,179,572	2,277,850	0
Net Operating Income (loss)	(130,408)	(297,571)	(427,979)	0
Non-Operating Revenues (Expenses):				
Tap fees	45,544	39,153	84,697	0
Current taxes	0	225,557	225,557	0
Interest income	0	72,993	72,993	2,699
Interest and fiscal charges	(174,939)	(271,581)	(446,520)	0
Total Non-Operating Revenues (Expenses)	(129,395)	66,122	(63,273)	2,699
Income (loss) before contributions and transfers	(259,803)	(231,449)	(491,252)	2,699
Transfers to other funds	(15,000)	(30,000)	(45,000)	0
Transfers from other funds	278,831	577,108	855,939	0
Change in net assets	\$4,028	\$315,659	319,687	2,699
Total Net Assets - Beginning of Year			16,568,736	57,101
Total Net Assets - End of Year			<u>\$16,888,423</u>	<u>\$59,800</u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

Statement of Cash Flows Proprietary Funds Year Ended February 29, 2008

	Business-type Activities Enterprise Fund	Governmental Activities Internal Service Funds
Cash Flows From Operating Activities		
Cash received from customers	\$1,829,155	\$0
Cash paid to suppliers	(905,537)	0
Cash paid to employees	(545,927)	0
Net cash provided by operating activities	<u>377,691</u>	<u>0</u>
Cash Flows From Noncapital Financing Activities		
Transfer to other funds	(45,000)	0
Transfer from other funds	855,939	0
Net Cash Provided (Used) for Noncapital Financing Activities	<u>810,939</u>	<u>0</u>
Cash Flows From Capital and Related Financing Activities		
Tap fees	84,697	0
Current taxes levied for debt	225,557	0
Acquisition and construction of capital assets	(213,557)	0
Principal paid on refunding bonds	(180,000)	0
Principal paid on contract payable	(430,000)	0
Principal paid on state revolving fund - sewer	(85,000)	0
Interest paid on revenue bonds and contract payable	(456,123)	0
Net cash provided(used) by capital and related financing activities	<u>(1,054,426)</u>	<u>0</u>
Cash Flows From Investing Activities		
Interest earned on cash investments	<u>72,993</u>	<u>2,699</u>
Net increase in cash and cash equivalents	207,197	2,699
Cash and cash equivalents at beginning of year	<u>2,480,224</u>	<u>57,101</u>
Cash and cash equivalents at end of year	<u><u>\$2,687,421</u></u>	<u><u>\$59,800</u></u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

Reconciliation of Operating Activities to Cash Provided by Operating Activities Proprietary Funds Year Ended February 29, 2008

	Business-type Activities <u>Enterprise Fund</u>	Governmental Activities <u>Internal Service Funds</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income	(\$427,981)	\$0
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense	823,142	0
(Increase) decrease in Assets		
Receivables	(20,715)	0
Due from other funds	863	0
Prepaid expenses	1,592	0
Increase (Decrease) in Liabilities		
Accounts payable	9,228	0
Accrued payroll	(5,540)	0
Due to other funds	(3,819)	0
Other liabilities	921	0
Total Adjustments	<u>805,672</u>	<u>0</u>
Net cash provided by operating activities	<u><u>\$377,691</u></u>	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

*Statement of Assets and Liabilities
Fiduciary Funds
February 29, 2008*

	Agency Funds
ASSETS	
Cash and money management accounts	\$22,992
Total Assets	\$22,992
LIABILITIES	
Due to other funds	\$13,269
Other liabilities	9,723
Total Liabilities	\$22,992

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

Combined Statement of Net Assets Component Units February 29, 2008

	Downtown Development Authority	LDFA Water Plant	LDFA Global Alliance
Assets			
Cash and money management accounts	\$563,651	\$627,504	\$1,192,679
Internal balances	(368)	(11,061)	7,900
Due from other governmental units	206,156	165,085	228,638
Accrued interest receivable	737	736	0
Restricted cash	0	0	84,641
Bond issuance costs, net of amortization	0	0	115,500
Capital assets, net of accumulated depreciation	0	0	6,040,047
Total Assets	<u>\$770,176</u>	<u>\$782,264</u>	<u>\$7,669,405</u>
Liabilities			
Accounts payable	\$0	\$0	\$0
Noncurrent liabilities:			
Due within one year	0	0	235,000
Due in more than one year	4,021	0	5,319,400
Total Liabilities	<u>4,021</u>	<u>0</u>	<u>5,554,400</u>
Net assets			
Invested in capital assets, net of related debt	0	0	460,047
Restricted	0	0	84,641
Unrestricted	766,155	782,264	1,570,317
Total Net Assets(Deficit)	<u>766,155</u>	<u>782,264</u>	<u>2,115,005</u>
Total Liabilities and Net Assets	<u>\$770,176</u>	<u>\$782,264</u>	<u>\$7,669,405</u>

See accompanying notes to the basic financial statements

<u>Economic Development</u>	<u>Brownfield Redevelopment</u>	<u>Total</u>
\$109,934	\$180,085	\$2,673,853
0	0	(3,529)
174,818	93,862	868,559
0	250	1,723
231,806	0	316,447
0	0	115,500
10,673,864	0	16,713,911
<u>\$11,190,422</u>	<u>\$274,197</u>	<u>\$20,686,464</u>
\$0	\$0	\$0
0	0	235,000
12,335,065	0	17,658,486
<u>12,335,065</u>	<u>0</u>	<u>17,893,486</u>
(1,661,201)	0	(1,201,154)
406,624	274,197	765,462
109,934	0	3,228,670
<u>(1,144,643)</u>	<u>274,197</u>	<u>2,792,978</u>
<u>\$11,190,422</u>	<u>\$274,197</u>	<u>\$20,686,464</u>

VILLAGE OF DUNDEE

Combined Statement of Activities Component Units Year Ended February 29, 2008

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Downtown Development Authority				
Public Works	\$77,064	\$0	\$0	\$0
LDFA - Water Plant				
Public Works	800	0	0	0
LDFA - Global Alliance				
Public Works	156,295	0	0	0
Interest on long term debt	269,545	0	0	0
Total	<u>425,840</u>	<u>0</u>	<u>0</u>	<u>0</u>
Economic Development Corporation				
Public Works	278,299	0	0	0
Interest on long term debt	346,900	0	0	0
Total	<u>625,199</u>	<u>0</u>	<u>0</u>	<u>0</u>
Brownfield Redevelopment Corporation				
Public Works	<u>274,948</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total component units	<u>\$1,403,851</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General revenues:				
Property taxes				
Interest				
Other				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets, beginning of year				
Net assets, end of year				

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets					
Downtown Development Authority	LDFA Water Plant	LDFA Global Alliance	Economic Development	Brownfield Redevelopment	Total
(\$77,064)					(\$77,064)
	(\$800)				(800)
		(\$156,295) (269,545) <u>(425,840)</u>			(425,840)
			(\$278,299) (346,900) <u>(625,199)</u>		(625,199)
				(\$274,948)	(274,948)
(77,064)	(800)	(425,840)	(625,199)	(274,948)	(1,403,851)
316,160	311,152	1,097,057	174,818	150,841	2,050,028
19,495	20,465	11,905	7,780	8,038	67,683
300	0	0	0	0	300
(201,743)	(285,831)	(505,392)	209,851	(5,000)	(788,115)
134,212	45,786	603,570	392,449	153,879	1,329,896
57,148	44,986	177,730	(232,750)	(121,069)	(73,955)
709,007	737,278	1,937,275	(911,893)	395,266	2,866,933
<u>\$766,155</u>	<u>\$782,264</u>	<u>\$2,115,005</u>	<u>(\$1,144,643)</u>	<u>\$274,197</u>	<u>\$2,792,978</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 1 Description of the Village and Reporting Entity

The Village of Dundee is governed by a locally elected president and five member Council. The Village provides the following services: public works, public safety (police service), road construction, public improvements, planning and zoning, construction code inspections, water and sewer, economic development and general administrative services.

Reporting Entity

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 "*The Financial Reporting Entity*", these financial statements present the Village of Dundee (the primary government) and its component units. The criteria established by the GASB for determining the reporting entity includes fiscal dependency and whether the financial statements would be misleading if the data were not included. The individual component units discussed below are included in the Village's reporting entity based on the nature of their operational or financial relationship to the Village.

Discretely Presented Component Units

The following component units are reported within the component units column in the combined financial statements. They are reported in a separate column to emphasize that they are legally separate from the Village. More detailed information on each component unit is disclosed in the other supplemental information section.

Downtown Development Authority

The Downtown Development Authority (DDA) is a legally separate entity created by the Village for the purpose of financing improvements to the downtown area funded by the Tax Incremental Financing Authority tax capture collections.

Local Development Finance Authority-Water Plant

The Local Development Finance Authority-Water Plant was created to account for the tax monies captured by the increase in property values of the Village Industrial Park which will be used to repay debt and finance other projects as determined by the Local Development Finance Authority Board of Directors.

Local Development Finance Authority-Global Engine Alliance

The Local Development Finance Authority-Global Engine Alliance was created to account for the tax monies captured by the increase in property values of the Global Engine Project Area which will be used to repay the debt issued to finance this project.

Economic Development Corporation

The Economic Development Corporation was created to encourage economic development within the Village.

Brownfield Redevelopment Authority

The Brownfield Redevelopment Authority was created to assist in financing the clean-up and development of a Brownfield area by the use of the Tax Incremental Financing Authority tax capture collections.

Note 2 Summary of Significant Accounting Policies

The financial statements of the Village of Dundee have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Village also applies Financial Accounting Standards (FASB) statements and interpretations issued on or before November 30, 1989, to its Governmental activities provided they do not conflict with or contradict GASB pronouncements.

VILLAGE OF DUNDEE

Notes to Financial Statements
Year Ended February 29, 2008

Note 2 Summary of Significant Accounting Policies (Continued)

The following are the more significant of the Village's accounting policies.

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement activities) report information on all of the non-fiduciary activities of the primary government. As a general rule, the effect of interfund activity has been removed from these statements. Governmental activities which normally are supported by general government revenues (i.e., property taxes, revenue sharing, fines, permits, and charges) and intergovernmental revenues are reported separately from business-type activities which rely, to a significant extent on fees and charges for support. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by the related program revenues, operating and capital grants. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *Program revenues* must be directly associated with the function or business-type activity. Program revenues include 1) fines and forfeitures, licenses and permits fees, special assessments, and charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Separate financial statements are provided for governmental funds and proprietary funds. Major governmental funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (statement of net assets and statement of activities) are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all the eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to claims and judgments, are recorded only when payment is due.

On the governmental funds statements, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The basic financial statements include both government-wide (based on the Village as a whole) and fund financial statements. While the previous model emphasized Fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the Village as a whole or major individual funds (within the individual fund financial statements). Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental or business-type activities.

VILLAGE OF DUNDEE

*Notes to Financial Statements
Year Ended February 29, 2008*

Note 2 Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The Village reports the following major governmental funds:

General Fund

The General Fund is the primary operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

Major Street Fund

The Major Street Fund accounts for gas and weight tax monies from the State of Michigan and expenditures for construction and maintenance of all major streets.

Local Street Fund

The Local Street Fund accounts for gas and weight tax monies from the State of Michigan and expenditures for construction and maintenance of all local streets.

Industrial Park and Equipment Purchase Fund

The Industrial Park and Equipment Purchase Fund is used to account for financial resources to be used for the acquisition and construction of major capital facilities and equipment.

The Village reports the following major proprietary fund:

Enterprise Funds

The Enterprise Fund is used to account for the operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses), including depreciation, of providing goods or services to the general public on a continuing basis is financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Water and Sewage Disposal Fund is the only Enterprise Fund in this report.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the water and sewage disposal fund are charges to customers for sales and services. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, amortization, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

Municipal Street Fund, Parks and Recreation Fund, Historical Commission Fund, and Building Department Fund.

VILLAGE OF DUNDEE

*Notes to Financial Statements
Year Ended February 29, 2008*

Note 2 Summary of Significant Accounting Policies (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Concluded)

Capital Improvement Funds

Economic Development Fund and Sewer Separation and Street Rehabilitation Fund.

Debt Service Funds

1993 Special Assessment Fund, 1993 General Obligation Fund, 1993 Michigan Transportation Fund, 1994 Downtown Development Authority (LTGO) Bond Fund, 1996 Michigan Transportation Fund, 1996 Special Assessment Fund, 1998 General Obligation Fund, 1998 Special Assessment Fund, 1999 Special Assessment Fund, 2000 Special Assessment Fund, 2001 Special Assessment Fund, 2004 Installment Purchase Fund, 2004 Special Assessment Fund, 2005 Capital Improvement General Obligation Fund, 2005 Installment Purchase/Lease, 2005 Installment Vactor Fund, 2006 Capital Improvement General Obligation Fund, and 2007 Capital Improvement General Obligation Fund.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Additionally, the Village reports the following fund types:

Agency Funds

Agency Funds are used to account for assets held by the Village as an agent for individuals, private organizations, other governments, and/or other funds. These funds are reported in the fund financial statements only because they do not report resources under the control of the Village. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations.

C. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the Village to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates

D. Assets, Liabilities, and Net Assets

Cash and Cash Equivalents

The Village's cash and cash equivalents include cash and money management accounts, restricted cash and money management accounts, cash with fiscal agent, petty cash, and certificates of deposit with maturities of three months or less from the date of acquisition.

Due From Other Governments

Amounts due from other governments include amounts due from grantors for specific program and capital projects. Program grants and capital grants for fixed assets are recorded as receivables and revenues at the time the reimbursable project costs are incurred. Revenues received in advance of the project costs being incurred are recorded as deferred revenues.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Additionally, the reserve for prepaid items has been recorded to signify that a portion of fund balance is not available for other subsequent expenditure.

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 2 Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Assets (Continued)

Restricted Assets

Restricted assets in the Enterprise Fund and the Component Units consist of amounts restricted for debt retirement or construction.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of at least \$5,000 and an estimated useful life in excess of two years. These assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The cost of the normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phases of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. During the year, no interest was capitalized.

Infrastructure assets acquired prior to March 1, 2004, except for the EDC infrastructure assets, have not been capitalized and are omitted from the Statement of Net Assets.

Depreciation of all exhaustible capital assets used by the Village is charged as an expense against its various functions. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets as follows:

	<u>Years</u>
Land improvements	15-33
Infrastructure (Streets, bridges, and ramps)	20-50
Building and building improvements	10-33
Police vehicles	3-5
DPW vehicles	5-20
Public safety equipment	5-20
Village office equipment	5-10
Water and sewer equipment	5-33
Water and sewer lines/systems	33-100

Works of Art, Historical Treasures, and Similar Assets

The Village has several historical artifacts and works of art that are presented for public exhibition, protected, kept unencumbered, cared for, and preserved by its Historical Commission. Village policy requires the proceeds from sales of collection items to be used to acquire other items for collections.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short term interfund loans are classified as "due to/from other funds". These amounts are eliminated in the governmental activities column of the statement of net assets. Any residual balances outstanding between the governmental activities, the business-type activities, and the component units are reported in the government-wide financial statements as "internal balances".

VILLAGE OF DUNDEE

*Notes to Financial Statements
Year Ended February 29, 2008*

Note 2 Summary of Significant Accounting Policies (Concluded)

D. Assets, Liabilities, and Net Assets (Concluded)

Accrued Liabilities and Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long term debt, notes, and other obligations are reported as liabilities in the applicable governmental activities, business-type activities, or component unit statement of net assets.

In general, payables and accrued liabilities that once incurred, are paid in a timely manner, and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Payments of long-term loans that are paid from governmental funds, are recognized as an expenditure on the governmental fund financial statements when due.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as issuance costs during the current period. The face amount of the debt is reported as other financing sources. Premiums, discounts, and bond issuance costs are amortized over the life of the bond issue and reported in depreciation and amortization in the statement of activities.

Compensated Absences

Village employees are granted vacation and personal days under formulas and conditions in the employees contract or Village policy. The vacation and personal pay is accrued in the government-wide financial statements. In the fund financial statements, these amounts are reported when paid as wages.

Nature and Purpose of Reservations of Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations, if any, of fund balance represent tentative management plans that are subject to change.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

Note 3 Stewardship, Compliance, and Accountability

Budget Policy and Budgetary Accounting

Budgetary comparison schedules are required to be presented as Required Supplementary Information for the general fund and each major special revenue fund for which an annual budget has been adopted. Under the new reporting model GASB Statement No. 34 the following information is to be reported:

- Original Budget
- Final Budget
- Actual inflows, outflows and balances on a budgetary basis

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 3 Stewardship, Compliance, and Accountability (Concluded)
Budget Policy and Budgetary Accounting (Concluded)

The Village has presented the General Fund, Major Street Fund and Local Street Fund in the Budgetary Comparison Schedules as Required Supplementary Information.

The Village has presented the Industrial Park and Equipment Purchase Fund and all nonmajor governmental funds in the Budgetary Comparison Schedules as Other Supplementary Information.

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the General Fund and Special Revenue Funds. The legal level of budgetary control is the department level. All unexpended appropriations lapse at fiscal year end. The Village does not utilize encumbrance accounting.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The Village manager submits to the Village Council a proposed operating budget for the fiscal year beginning March 1.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to February, the budget is legally enacted through a council resolution.
4. Any revisions of the budget must be approved by a council resolution.
5. Budgets are adopted on a basis consistent with generally accepted accounting principles.
6. Budgeted amounts are as originally adopted, or as amended by the Village Council.

Note 4 Deposits

Statutes authorize the Village to invest in obligations of the U.S. Treasury, agencies and instrumentalities; commercial paper within the three highest rate classifications by at least two rating services; bankers' acceptances of U.S. Banks, U.S. or agency repurchase agreements; savings accounts and certificates of deposit with banks and savings and loan associations, or credit unions which are insured with the applicable federal agency. Public funds may not be deposited in financial institutions located in states other than Michigan.

The Village believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, and since State of Michigan legislation does not require that all deposits be collateralized, it is impractical to insure all bank deposits. As a result, the Village evaluates each financial institution with which it deposits Village funds and assesses the level of risk at each institution; only those institutions with an acceptable estimated risk level are used as depositories.

The Village of Dundee Council has adopted an investment policy and has authorized four depositories: Monroe Bank & Trust, United Bank & Trust, LaSalle Bank, and Chase.

Interest rate risk. The Village's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 4 Deposits (Concluded)

Credit risk. The Village will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by limiting investments to the types of securities listed in the Village's investment policy.

Concentration of credit risk. The Village does not have limits on the amount the Village may deposit in any one issuer. The Village adheres to the following four criteria, as listed in order of priority, in making investment decisions:

Safety: Safety of principal is the foremost objective of the Village's investment practices. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.

Diversification: The investments shall be diversified by specific maturity dates, individual financial institutions or specific classes of securities in order that the potential losses in individual securities do not exceed the income generated from the remainder of the portfolio.

Liquidity: The investment policy requires the investments to remain sufficiently liquid to meet all of the operating requirements that may be reasonably anticipated.

Return on Investment: Return on investment is of secondary importance compared to safety and liquidity criteria. Investments shall be selected to obtain a market average rate of return.

Custodial credit risk. Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits may not be returned or the Village will not be able to recover the collateral securities in the possession of an outside party. As of February 29, 2008, the carrying amount of deposits (cash, certificates of deposits, checking accounts, savings accounts and money markets) for the government and component units were \$7,452,408 and \$2,990,300, respectively. The combined bank balance was \$10,442,708. The Village's deposits are insured by the FDIC in the amount of \$347,252, with uninsured deposits of \$10,095,456. The Village's deposits are at institutions with an established record of fiscal health and service. The Village Council approves and designates a list of authorized depository institutions. The Village's policy does not address custodial credit risk.

Foreign currency risk. The Village is not authorized to invest in investments which have this type of risk.

At year end, the deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>	<u>Fiduciary Funds</u>	<u>Component Units</u>
Cash and Cash Equivalents	\$4,741,995	\$1,333,379	\$6,075,374	\$22,992	\$2,673,853
Restricted Cash	<u>-</u>	<u>1,354,042</u>	<u>1,354,042</u>	<u>-</u>	<u>316,447</u>
	<u>\$4,741,995</u>	<u>\$2,687,421</u>	<u>\$7,429,416</u>	<u>\$22,992</u>	<u>\$2,990,300</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 5 Interfund Receivable, Payable and Transfers

Interfund receivable and payable balances as of February 29, 2008 were:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund:		
Major Street Fund	\$26,827	
Local Street Fund	16,789	
Tax	8,597	
Water & Sewer	32,849	
1993 S. A.	15,000	
DDA	69	
Building Fund	5,625	
Trust & Agency	442	
LDFA#1	7,567	
LDFA #3		\$ 5,404
Historical Fund		3,844
Special Revenue Funds:		
Municipal Highway Fund:		
DDA	230	
Tax	3,381	
LDFA #1	3,494	
LDFA #3		2,496
96 MTF Debt	1,269	
Major Street Fund:		
General Fund		26,827
Local Street	2,381	
Local Street Fund:		
General Fund		16,789
Major Street		2,381
Building Fund:		
General Fund		5,625
Historical Fund		
General Fund	3,844	
Component Units:		
Downtown Development Fund		
General Fund		69
Municipal Hwy Fund		230
Water & Sewer		69
LDFA #1 Water		
General Fund		7,567
Municipal Hwy Fund		3,494
LDFA #3		
General Fund	5,404	
Municipal Hwy Fund	2,496	

VILLAGE OF DUNDEE

*Notes to Financial Statements
Year Ended February 29, 2008*

Note 5 Interfund Receivable, Payable and Transfers (Continued)

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Agency Funds:		
Taxes:		
General Fund		\$ 8,597
Municipal Highway Fund		3,381
Water/Sewer		849
Payroll Fund:		
General Fund		153
PR T&A Fund		
General Fund		43
A/P T&A Fund		
General Fund		246
Debt Fund:		
1993 S.A. Debt:		
General Fund		15,000
1996 MTF Debt Fund		1,269
Water/Sewer:		
Tax	\$ 849	
General Fund		32,849
DDA	<u>69</u>	<u> </u>
	<u>\$137,182</u>	<u>\$137,182</u>

Interfund balances reflect temporary loans and reimbursements due in the normal course of interfund activity.

Interfund transfers were as follows:

<u>Funds Transferred From</u>	<u>Funds Transferred To</u>	<u>Amount</u>	
General Fund	Capital Improvement Fund	\$ 50,000	
	Building Fund	100,000	
	EDC Construction Fund	13,767	(1)
	Parks and Recreation Fund	4,500	(2)
	Historical Commission	61,000	(2)
	EDC Debt Fund	142,699	(1)
	2004 Installment Debt Fund	21,168	(3)
	2005 Installment Debt Fund (Dump truck)	22,641	(3)
	2005 Installment Debt Fund (Vactor)	22,063	(3)
	2005 General Obligation Debt	173,200	(3)
	2006 General Obligation Debt	35,561	(3)
	2007 General Obligation Debt	<u>22,887</u>	(3)
Total General Fund		<u>\$669,486</u>	

VILLAGE OF DUNDEE

Notes to Financial Statements
Year Ended February 29, 2008

Note 5 Interfund Receivable, Payable and Transfers (Concluded)

<u>Funds Transferred From</u>	<u>Funds Transferred To</u>	<u>Amount</u>	
Municipal Street Fund	EDC Construction Fund	\$ 6,479	(1)
	Major Street Fund	60,000	(4)
	EDC Debt Fund	67,152	(1)
	1993 General Obligation Bonds	44,650	(3)
	1998 General Obligation Bonds	12,960	(3)
	Local Street Fund	<u>85,000</u>	(4)
Total Municipal Street Fund		276,241	
Major Street Fund	1993 MTF Bonds	33,525	(3)
Brownfield Redevelopment	General Fund	5,000	(6)
Industrial Park/Equipment			
Purchase Fund	LDFA #3 Global Engine Alliance	76,716	(7)
1996 MTF Bonds	Municipal Street Fund	1,269	(8)
1996 S. A. Outer Drive	93 S. A. Bonds	4,396	(3)
Water/Sewer Enterprise Fund	Industrial Park/Equipment Purchase Fund	45,000	(7)
LDFA #3 - Global Engine Alliance	General Fund	5,000	(6)
	LDFA #3 Debt Fund	390,556	(3)
	Water/Sewer Enterprise	<u>577,108</u>	(3)
Total LDFA #3 Fund		972,664	
Downtown Development Authority	1994 DDA LTGO Bonds	174,530	(3)
	General Fund	5,000	(1)
	2006 General Obligation Bond	<u>22,213</u>	(3)
Total Downtown Development Authority		201,743	
LDFA - Water Plant	General Fund	7,000	(6)
	Water/Sewer Enterprise Fund	<u>278,831</u>	(3)
Total LDFA - Water Plant		<u>285,831</u>	
Total		<u>\$2,571,871</u>	

The following describes the purpose of the transfers:

- (1) Transfers of tax revenues in accordance with provisions of the project financing and interlocal agreements between the Economic Development Corporation of the Village of Dundee and Cabela's, Inc.
- (2) Transfers of discretionary funds to be used for recreation and education
- (3) Transfer for debt service
- (4) Transfer for various street maintenance costs
- (5) Transfer for the waste water treatment plant expansion project
- (6) Transfer for administrative expenses
- (7) Transfer for capital improvements
- (8) Transfer of remaining funds

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 6 Property Tax

The Village, under Public Act 3 of 1895, as amended, may levy up to 12.5 mills for general purposes, 5 mills for highways and streets, and 1 mill for cemetery maintenance. Taxes are levied on July 1, each year and are collected by the Village from July 1 to September 15.

The property tax revenue is recognized in the period that the tax was levied.

The taxable value for both real and personal property as of December 31, 2006 amounted to \$183,265,326, which was based on a percentage of the fair market value of the assessed property. The 2007 tax roll consisted of the following millage rates.

6.28 mills	General Fund
2.90 mills	Municipal Highway Fund
<u>.87</u> mills	Wastewater Plant Debt Fund
<u>10.05</u> mills	

Note 7 Tax Increment Financing

Tax increment financing is the setting aside of the taxes generated by an increase in the state equalized value of designated properties for a specific purpose.

On May 31, 1988, the Village adopted a Tax Increment Financing Authority Plan for the Dundee Downtown Development District as allowed under the Downtown Development Authority Act, Act No. 197 of the Public Acts of 1975. This plan is devoted to the planned and orderly economic revitalization of the downtown business district. For the fiscal year ended February 29, 2008, the Downtown Development Fund recorded \$316,160 as property tax revenue generated from the downtown development district.

On February 20, 1990, the Village adopted a Local Development Finance Authority Plan (water plant) to help eliminate the causes of unemployment, underemployment, joblessness, and to promote economic growth in the Village, pursuant to Act No. 281 of the Public Acts of 1986. For the fiscal year ended February 29, 2008, the Local Development Finance Fund (Water Fund) recorded \$311,152 as property tax revenue generated from the industrial park area.

On May 29, 2003, the Village adopted a Local Development Finance Authority Plan (Global Engine Project) to repay the financing of improvements to utilities and roadways on Ty Circle Drive, Ann Arbor Road, and Dundee Azalia Road. These improvements were required to allow the construction of a \$240,000,000 facility by Global Engine Alliance, LLC. For the fiscal year ended February 29, 2008, the Local Development Finance Authority (Global Engine Project) recorded \$1,097,05 as property tax revenue generated from the properties under improvement.

The Village has adopted Brownfield Redevelopment Authority (Tecumseh Road) to assist in financing the clean-up and development of a Brownfield area. For the year ended February 29, 2008, the Authority recorded \$150,841 in property tax revenue.

Note 8 Due from Other Governments

Due from other governments in the Downtown Development and Local Development Finance Component Units and the Brownfield Redevelopment Component Unit is a receivable for captured taxes from Monroe County and Dundee Township of \$693,741. Due from other governments in the Economic Development Corporation Debt Service Fund is a receivable for Incremental Revenue from the County and College of \$174,818.

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 9 Capital Assets

Capital asset activity for the year ended February 29, 2008 was as follows:

Primary Government

	Balance March 1, 2007	Additions	Deletions	Balance February 29, 2008
<u>Governmental Activities</u>				
Capital assets not depreciated:				
Land	\$3,395,938	\$0	\$0	\$3,395,938
Construction in process	202,655	694,802	0	897,457
Capital assets being depreciated				
Infrastructure, roads, drains, and storm sewers	2,838,153	26,609	0	2,864,762
Buildings	4,106,612	230,653	0	4,337,265
Improvements other than buildings	1,168,262	6,630	0	1,174,892
Equipment	276,961	0	0	276,961
Vehicles	691,837	24,521	(48,900)	667,458
Totals at historical cost	<u>12,680,418</u>	<u>983,215</u>	<u>(48,900)</u>	<u>13,614,733</u>
Less accumulated depreciation for				
Infrastructure, roads, drains, and storm sewers	(112,440)	(86,337)	0	(198,777)
Buildings	(539,972)	(120,921)	0	(660,893)
Improvements other than buildings	(456,254)	(36,820)	0	(493,074)
Equipment	(160,344)	(20,192)	0	(180,536)
Vehicles	(394,137)	(81,444)	48,900	(426,681)
Total accumulated depreciation	<u>(1,663,147)</u>	<u>(345,714)</u>	<u>48,900</u>	<u>(1,959,961)</u>
Governmental Activities - Net				
Capital Assets	<u>\$11,017,271</u>	<u>\$637,501</u>	<u>\$0</u>	<u>\$11,654,772</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$199,923
Public safety	8,345
Public works	118,741
Culture and recreation	18,705
Total depreciation expense	<u>\$345,714</u>

VILLAGE OF DUNDEE

*Notes to Financial Statements
Year Ended February 29, 2008*

Note 9 Capital Assets (Concluded)

Primary Government (Continued)

	Balance March 1, 2007	Additions	Deletions	Balance February 29, 2008
<u>Business-type Activities</u>				
Capital assets not depreciated:				
Land	\$53,816	\$0	\$0	\$53,816
Construction in process	2,631,837	194,837	2,745,378	81,296
Capital assets being depreciated:				
Vehicles and equipment	363,485	18,720	0	382,205
Buildings and improvements	16,886,105	2,745,378	0	19,631,483
Water and sewer lines	10,972,096	0	0	10,972,096
Totals at historical costs	30,907,339	2,958,935	2,745,378	31,120,896
Less accumulated depreciation for:				
Vehicles and equipment	(269,911)	(28,734)	0	(298,645)
Buildings and improvements	(4,035,364)	(499,686)	0	(4,535,050)
Water and sewer lines	(2,262,448)	(278,501)	0	(2,540,949)
Total accumulated depreciation	(6,567,723)	(806,921)	0	(7,374,644)
Business-Type Activities - Net Capital Assets	<u>\$24,339,616</u>	<u>\$2,152,014</u>	<u>\$2,745,378</u>	<u>\$23,746,252</u>

Depreciation expense was charged to business-type functions as follows:

Water	\$306,804
Sewer	500,118
Total depreciation expense	<u>\$806,922</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 10 Retirement Commitments

Plan Description

The Village of Dundee is in an agent multiple-employer defined benefit pension plan with the Municipal Employees Retirement System (MERS), administered by the State of Michigan. The Village's covered payroll for employees covered by the system for the year ended February 29, 2008 was \$722,702 out of a total of \$1,004,990.

All full time Village employees are eligible to participate in MERS. Benefits vest after 10 years of service. Village employees who retire at or after age 60 with 10 years, age 55 with 15 years, and age 50 with 25 years of credited service are entitled to an annual retirement benefit of 2.0% of a members 5 year final average compensation multiplied by the years of credited service not to exceed 30 years, payable until attainment of the age at which unreduced social security benefits are available (currently age 65 for normal retirement, gradually increasing to age 67). Upon attainment of this age, the benefit reverts to 1.7% of a members 5 year final average compensation. The system also provides disability retirement allowance, non duty death allowance, duty connected death and post retirement adjustments. These benefit provisions and all other requirements are established by state statute and Village council resolution.

The Municipal Employees Retirement System of Michigan issues a publically available financial report which may be obtained by writing to MERS, 447 North Canal Road, Lansing, Michigan, 48197.

Employees contribute 7.0% of their wages to the plan. The Village is required to contribute the remaining amounts necessary to fund the system, using the actuarial basis specified by State statute. The Village's annual required contribution was zero for the fiscal year ending February 29, 2008. The contribution requirements of plan members and the Village are established by the Village and by the MERS Board of Trustees. The required contribution was determined as part of the December 31, 2004 actuarial valuation using the entry age normal cost method.

Significant actuarial assumptions include: 1) a rate of return on the investment of present and future assets of 8.0% per year compounded annually, 2) projected salary increases of 4.5% per year compounded annually, attributable to inflation, 3) additional projected salary increases ranging from 0.0% to 4.2% per year, depending on age, attributable to seniority/merit, and 4) the assumption that benefits will increase 2.5% per year (annually) after retirement.

The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. The Village's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll over 30 years.

Contributions Required and Contributions Made

MERS funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The normal cost and amortization payment were determined using an attained age actuarial funding method. Unfunded actuarial accrued liabilities, if any, were amortized as a level percent of payroll over a period of 30 years.

The contribution to MERS for the year ended February 29, 2008, of \$50,630 (7% current covered payroll) was made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of December 31, 2006. The Village contributed \$-0- ; employees contributed \$50,630 (7.0% current covered payroll).

VILLAGE OF DUNDEE

Notes to Financial Statements
Year Ended February 29, 2008

Note 10 Retirement Commitments (Concluded)
Contributions Required and Contributions Made (Concluded)
Three-year Trend Information

	Valuation Ended December 31,		
	2004	2005	2006
Annual pension cost	\$ -	\$ -	\$ -
Percentage of APC contributed	100%	100%	100%
Net pension obligation	-	-	-
Actuarial value of assets	2,175,602	2,298,684	2,469,448
Actuarial accrued liability (entry age)	1,768,281	1,906,962	2,061,220
Unfunded (overfunded) AAL	(407,321)	(391,722)	(408,228)
Funded ratio	123%	121%	120%
Annual covered payroll	576,701	607,708	639,198
UAAL as a percentage of annual covered payroll	0%	0%	0%

Note 11 Long-Term Debt

Following is a summary of changes in long-term debt:

	Balance February 28, 2007	Additions	Retired	Balance February 29, 2008	Due Within One Year
1993 Sewage Disposal System Limited Tax General Obligation bonds, bearing interest at 2%.	\$ 740,000	\$ -	\$ 85,000	\$ 655,000	\$ 90,000
1994 Sewage Disposal System Refunding Bonds, bearing interest at rates from 4.1% to 6.2%.	575,000	-	180,000	395,000	200,000
1997 Water Supply and Sewage Disposal System Revenue Bonds, bearing interest at 6.25%.	115,000	-	15,000	100,000	15,000
1998 Water Supply and Sewage Disposal System Revenue Bonds, bearing interest at 5.75%.	275,000	-	15,000	260,000	15,000
1999 Water Supply and Sewage Disposal System Revenue Bonds, bearing interest at 4.50%.	45,000	-	15,000	30,000	15,000

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

	<u>Balance February 28, 2007</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance February 29, 2008</u>	<u>Due Within One Year</u>
2001 Monroe County Water Supply System Limited Tax General Obligation Bonds, bearing interest at rates from 4.0% to 5.0%.	\$ 3,225,000	\$ -	\$ 65,000	\$ 3,160,000	\$ 70,000
2002 Water Supply System Limited Tax General Obligation Refunding Bonds, bearing interest at rates from 1.4% to 3.8%.	700,000	-	125,000	575,000	130,000
2004 Monroe County Sewage Disposal System Limited Tax General Obligation Bonds, bearing interest from 3.88% to 5.00%.	<u>4,815,000</u>	<u>-</u>	<u>195,000</u>	<u>4,620,000</u>	<u>200,000</u>
Total Bonds and Contracts	10,490,000	-	695,000	9,795,000	735,000
Compensated Absences	<u>27,283</u>	<u>27,226</u>	<u>27,283</u>	<u>27,226</u>	<u>27,226</u>
Total Business-Type Activities	<u>10,517,283</u>	<u>27,226</u>	<u>722,283</u>	<u>9,822,226</u>	<u>762,226</u>
1993 General Obligation Limited Tax Bonds, bearing interest at rates from 3.0% to 5.5%.	80,000	-	40,000	40,000	40,000
1993 Special Assessment Bonds, bearing interest at rates from 3.0% to 5.5%.	50,000	-	25,000	25,000	25,000
1993 Michigan Transportation Fund Bonds, bearing interest at rates from 3.0% to 5.5%.	60,000	-	30,000	30,000	30,000
Refinanced Downtown Development Authority-Component Unit 1994 Downtown Development and Refunding Bonds, bearing interest at 4.55%.	1,255,000	-	120,000	1,135,000	130,000

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

	<u>Balance February 28, 2007</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance February 29, 2008</u>	<u>Due Within One Year</u>
1998 General Obligation Limited Tax Bonds, bearing interest at 4.95%.	\$ 60,000	\$ -	\$ 10,000	\$ 50,000	\$ 10,000
1998 Special Assessment Limited Tax General Obligation Bonds, bearing interest at 4.95%.	190,000	-	30,000	160,000	30,000
1999 Special Assessment Limited Tax General Obligation Bonds, bearing interest at 4.40%.	75,000	-	40,000	35,000	35,000
2000 Special Assessment Limited Tax General Obligation Bonds bearing interest at 5.10%.	155,000	-	30,000	125,000	35,000
2001 Special Assessment Limited Tax General Obligation Bonds bearing interest at 4.45%.	165,000	-	15,000	150,000	15,000
February 13, 2004 installment purchase agreement for purchase of building located at 141 Riley St., Dundee. Variable semiannual payments bearing an interest rate of 3.60%.	137,730	-	16,392	121,338	16,877
2004 Special Assessment Limited Tax General Obligation Bonds, bearing interest at 3.49%.	120,000	-	20,000	100,000	20,000
2004 Promissory Note (without recourse) for purchase of 154 acres of improved industrial park land, bearing interest at 6.00%.	3,268,000	-	-	3,268,000	-

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

	<u>Balance February 28, 2007</u>	<u>Additions</u>	<u>Retired</u>	<u>Balance February 29, 2008</u>	<u>Due Within One Year</u>
2004 Promissory Note/Line of Credit (without recourse) for interest and marketing expenses on the 154 acres of improved park land, bearing interest at 6.00%.	\$ 123,379	\$ -	\$ -	\$ 123,379	\$ -
2005 Capital Improvement Limited Tax General Obligation Bonds, bearing interest at 3.10% to 4.45%.	1,825,000	-	100,000	1,725,000	105,000
2005 Capital Lease/Installment with Ford Motor Credit for the purchase of a dump truck. Payments are made semiannually with interest at 5.60%.	42,281	-	20,557	21,724	21,724
2005 Installment purchase with United Bank & Trust for the purchase of a 1998 Ford vector truck. Payments are made annually with interest at 4.145%.	144,000	-	16,000	128,000	16,000
2006 Capital Improvement Limited Tax General Obligation Bonds, bearing interest at 3.75% to 4.50%.	1,300,000	-	-	1,300,000	40,000
2007 Capital Improvement Limited Tax General Obligation Bonds, bearing interest at 4.00% to 5.25%.	700,000	-	-	700,000	15,000
2007 Capital Lease/Installment with Elgin Sweeper Company for the purchase of a 2006 Elgin Street Sweeper. Payments are made annually with interest at 5.58%.	<u>105,290</u>	<u>-</u>	<u>-</u>	<u>105,290</u>	<u>18,835</u>
Total Bonds and Installment Obligations	9,855,680		512,949	9,342,731	603,436
Compensated Absences	<u>60,149</u>	<u>52,232</u>	<u>60,149</u>	<u>52,232</u>	<u>52,232</u>
Total Governmental Activities	<u>9,915,829</u>	<u>52,232</u>	<u>573,098</u>	<u>9,394,963</u>	<u>655,668</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

	Balance February 28, 2007	<u>Additions</u>	<u>Retired</u>	Balance February 29, 2008	Due Within One Year
Economic Development Component Unit note payable to Cabela's Retail, Inc. Payments to be made annually starting 2003 and continuing for sixteen years. Payment amount is based on tax revenues.	\$12,335,065	\$ -	\$ -	\$12,335,065	\$ -
2004 Local Development Finance Authority-Component Unit Limited Tax General Obligation Bonds, bearing interest from 3.95% to 5.5%. (Federally Taxable)	3,095,000	-	110,000	2,985,000	115,000
2004 Local Development Finance Authority Monroe Bank & Trust Bonds, bearing interest from 4.00% to 5.00%. (Tax Exempt)	405,000	-	20,000	385,000	20,000
Local Development Finance Authority Component Unit 2005 Global Engine Refunding Bonds, bearing interest from 3.50% to 4.50%. (Tax Exempt)	<u>2,210,000</u>	<u>-</u>	<u>-</u>	<u>2,210,000</u>	<u>100,000</u>
Total Component Unit	<u>18,045,065</u>	<u>-</u>	<u>130,000</u>	<u>17,915,065</u>	<u>235,000</u>
Total	<u>\$38,478,177</u>	<u>\$79,458</u>	<u>\$1,425,381</u>	<u>\$37,132,254</u>	<u>\$1,652,894</u>

Contract Liability For Sewage Disposal Systems Bonds (Dundee Sewer No. 2) - \$1,165,000 issue dated September 30, 1993, by the County of Monroe as part of the State Revolving Loan Funded Project, to finance the sewer separation project capitalized in the water/sewer enterprise fund during fiscal year ending February 28, 1997.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 90,000	\$11,693	\$101,693
2010	90,000	9,893	99,893
2011	90,000	8,093	98,093
2012	95,000	6,243	101,243
2013	95,000	4,343	99,343
2014	95,000	2,443	97,443
2015	<u>100,000</u>	<u>747</u>	<u>100,747</u>
	<u>\$655,000</u>	<u>\$43,455</u>	<u>\$698,455</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

Contract liability for 1994 Sewage Disposal Refunding Bonds (Village of Dundee System No. 1) - \$2,150,000 issue dated July 7, 1994, less discount of \$5,793, by the County of Monroe to advance refund 1988 Sewage Disposal System Bonds.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$200,000	\$18,190	\$218,190
2010	195,000	6,045	201,045
	<u>\$395,000</u>	<u>\$24,235</u>	<u>\$419,235</u>

1997 Water Supply and Sewer Disposal System Revenue Bonds dated March 1, 1997, in the aggregate principal amount of \$220,000 for the purpose of construction and improvements to the Village's Water Supply and Sewage Disposal System.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 15,000	\$ 4,856	\$ 19,856
2010	20,000	3,938	23,938
2011	20,000	2,888	22,888
2012	20,000	1,838	21,838
2013	<u>25,000</u>	<u>655</u>	<u>25,655</u>
	<u>\$100,000</u>	<u>\$14,175</u>	<u>\$114,175</u>

Contract Liability for General Obligation Limited Tax Bonds - \$350,000 issue dated May 5, 1998, by the County of Monroe for the purpose of construction and improvements to the Village's Water Supply and Sewage Disposal System.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 15,000	\$12,751	\$ 27,751
2010	15,000	11,994	26,994
2011	15,000	11,236	26,236
2012	15,000	10,479	25,479
2013	15,000	9,721	24,721
2014	15,000	8,964	23,964
2015	40,000	7,575	47,575
2016	40,000	5,555	45,555
2017	40,000	3,535	43,535
2018	<u>50,000</u>	<u>1,263</u>	<u>51,263</u>
	<u>\$260,000</u>	<u>\$83,073</u>	<u>\$343,073</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

1999 Water Supply and Sewage Disposal System Revenue Bonds dated May 18, 1999, in the aggregate principal amount of \$115,000 for the purpose of construction and extension of water and sewer lines.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$15,000	\$1,068	\$16,068
2010	<u>15,000</u>	<u>356</u>	<u>15,356</u>
	<u>\$30,000</u>	<u>\$1,424</u>	<u>\$31,424</u>

2001 Monroe County Water Supply System Limited Tax General Obligation Bonds dated April 1, 2001, in the aggregate principal amount of \$3,500,000 less discount of \$35,000 by the County of Monroe for the purpose of construction and extension of water system improvements.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 70,000	\$ 151,085	\$ 221,085
2010	70,000	148,128	218,128
2011	90,000	144,728	234,728
2012	100,000	140,690	240,690
2013	100,000	136,365	236,365
2014	130,000	131,240	261,240
2015	115,000	125,670	240,670
2016	125,000	120,088	245,088
2017	130,000	114,030	244,030
2018	130,000	107,758	237,758
2019	190,000	99,950	289,950
2020	205,000	90,273	295,273
2021	215,000	79,875	294,875
2022	225,000	68,875	293,875
2023	235,000	57,375	292,375
2024	245,000	45,375	290,375
2025	250,000	33,000	283,000
2026	260,000	20,250	280,250
2027	<u>275,000</u>	<u>6,875</u>	<u>281,875</u>
	<u>\$3,160,000</u>	<u>\$1,821,630</u>	<u>\$4,981,630</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

Contract Liability for 2002 Water Supply System Refunding Bonds (Village of Dundee System No. 1) - \$1,085,000 issue dated December 19, 2002, plus premium of \$2,341 by the County of Monroe to advance refund 1991 Water Supply System Bonds.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$130,000	\$18,173	\$148,173
2010	140,000	13,745	153,745
2011	150,000	8,627	158,627
2012	155,000	2,945	157,945
	<u>\$575,000</u>	<u>\$43,490</u>	<u>\$618,490</u>

2004 Monroe County Sewage Disposal System (Village of Dundee System No. 3) Limited Tax General Obligation Bonds dated May 1, 2004 in aggregate principal amount of \$5,000,000 less discount of \$50,000 by the County of Monroe for the purpose of constructing an addition to the existing waste water treatment plant to service the Village of Dundee.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 200,000	\$ 204,198	\$ 404,198
2010	210,000	195,998	405,998
2011	220,000	187,398	407,398
2012	230,000	178,254	408,254
2013	240,000	168,560	408,560
2014	255,000	158,350	413,350
2015	265,000	147,459	412,459
2016	280,000	135,668	415,668
2017	290,000	123,056	413,056
2018	300,000	109,854	409,854
2019	315,000	95,859	410,859
2020	330,000	80,859	410,859
2021	345,000	64,824	409,824
2022	365,000	47,647	412,647
2023	385,000	29,125	414,125
2024	390,000	9,750	399,750
	<u>\$4,620,000</u>	<u>\$1,936,859</u>	<u>\$6,556,859</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

1993 General Obligation Limited Tax Bonds dated September 1, 1993, in the aggregate amount of \$450,000 for the construction of public street improvements.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	<u>\$40,000</u>	<u>\$1,100</u>	<u>\$41,100</u>

1993 Special Assessment Bonds (limited tax general obligation) dated September 1, 1993, in the aggregate principal amount of \$660,000 for the construction of public street improvements.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	<u>\$25,000</u>	<u>\$687</u>	<u>\$25,687</u>

1993 Michigan Transportation Fund Bonds dated September 1, 1993, in the aggregate amount of \$300,000 for the construction of public street improvements.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	<u>\$30,000</u>	<u>\$803</u>	<u>\$30,803</u>

1999 Downtown Development Refunding Bonds (Limited Tax General Obligation) dated March 23, 1999, in the aggregate principal amount of \$1,695,000 for the refinancing of the 1994 Downtown Development and Refunding Bonds.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 130,000	\$ 48,685	\$ 178,685
2010	145,000	42,429	187,429
2011	150,000	35,717	185,717
2012	160,000	28,665	188,665
2013	175,000	21,044	196,044
2014	185,000	12,854	197,854
2015	<u>190,000</u>	<u>4,323</u>	<u>194,323</u>
	<u>\$1,135,000</u>	<u>\$193,717</u>	<u>\$1,328,717</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

Contract Liability for 1998 General Obligation Limited Tax Bonds-\$105,000 issue dated May 5, 1998, by the County of Monroe, for the purpose of local public improvements.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$10,000	\$2,475	\$12,475
2010	10,000	1,980	11,980
2011	10,000	1,485	11,485
2012	10,000	990	10,990
2013	<u>10,000</u>	<u>495</u>	<u>10,495</u>
	<u>\$50,000</u>	<u>\$7,425</u>	<u>\$57,425</u>

Special Assessment Limited Tax General Obligation Bonds dated May 5, 1998, in the aggregate amount of \$475,000, for the purpose of local public improvements for Stowell Road and Waterstradt Commerce Drive.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 30,000	\$ 7,920	\$ 37,920
2010	30,000	6,435	36,435
2011	30,000	4,950	34,950
2012	30,000	3,465	33,465
2013	<u>40,000</u>	<u>1,980</u>	<u>41,980</u>
	<u>\$160,000</u>	<u>\$24,750</u>	<u>\$184,750</u>

Special Assessment (Limited Tax General Obligation) Bonds dated May 18, 1999, in the aggregate amount of \$375,000, for the purpose of local public improvements for Oak Street and Waterstradt Commerce Drive.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	<u>\$35,000</u>	<u>\$1,540</u>	<u>\$36,540</u>

Special Assessment (Limited Tax General Obligation) Bonds dated November 7, 2000, in the aggregate amount of \$300,000 for the purpose of an Industrial Complex Development.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 35,000	\$ 5,403	\$ 40,403
2010	30,000	3,795	33,795
2011	30,000	2,288	32,288
2012	<u>30,000</u>	<u>765</u>	<u>30,765</u>
	<u>\$125,000</u>	<u>\$12,251</u>	<u>\$137,251</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2001 Special Assessment (Limited Tax General Obligation) Bonds dated November 1, 2001, in the aggregate amount of \$220,000 for the purpose of road replacement on Rawson Street.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 15,000	\$ 6,341	\$ 21,341
2010	15,000	5,674	20,674
2011	15,000	5,006	20,006
2012	15,000	4,339	19,339
2013	15,000	3,671	18,671
2014	15,000	3,004	18,004
2015	15,000	2,336	17,336
2016	15,000	1,669	16,669
2017	15,000	1,001	16,001
2018	<u>15,000</u>	<u>334</u>	<u>15,334</u>
	<u>\$150,000</u>	<u>\$33,375</u>	<u>\$183,375</u>

2004 Note Payable to United Bank & Trust, dated February 13, 2004 for \$175,000 to finance the purchase of real estate.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 16,877	\$ 4,215	\$ 21,092
2010	17,491	3,602	21,093
2011	18,126	2,967	21,093
2012	18,784	2,309	21,093
2013	19,467	1,626	21,093
2014	20,174	919	21,093
2015	<u>10,419</u>	<u>186</u>	<u>10,605</u>
	<u>\$121,338</u>	<u>\$15,824</u>	<u>\$137,162</u>

2004 Special Assessment (Limited Tax General Obligations) Bonds dated May 18, 2004 in the aggregate amount of \$155,000 for the purpose of road replacement on First Street.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 20,000	\$ 3,490	\$ 23,490
2010	15,000	2,792	17,792
2011	15,000	2,269	17,269
2012	15,000	1,745	16,745
2013	15,000	1,222	16,222
2014	<u>20,000</u>	<u>698</u>	<u>20,698</u>
	<u>\$100,000</u>	<u>\$12,216</u>	<u>\$112,216</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2004 Promissory note (without recourse) with Monroe Bank & Trust dated March 30, 2004 in the amount of \$3,268,000 for the purpose of purchasing 153 acres of improved land in the Village's Industrial Park. Repayment of the promissory note is subject to parcel sales in accordance with the provisions of a land development agreement between the Village of Dundee and Monroe Bank & Trust. The Village will have no direct obligation for the payment of the obligation represented by the agreement. The obligation owing under this agreement shall terminate on December 31, 2009, unless extended. The property is secured by various mortgages with Monroe Bank & Trust.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ -	\$221,285	\$ 221,285
2010	<u>3,268,000</u>	<u>196,120</u>	<u>3,464,120</u>
	<u>\$3,268,000</u>	<u>\$417,405</u>	<u>\$3,685,405</u>

2004 Promissory note/line of credit (without recourse) with Monroe Bank & Trust dated March 30, 2004 in the amount of \$99,942 for the purpose of paying interest and marketing expenses in accordance with the land development agreement described above. Repayment of the credit line is subject to parcel sales in accordance with the provisions of the land development agreement between the Village of Dundee and Monroe Bank and Trust. The Village will have no direct obligation for the payment of the obligation represented by the agreement. The obligation owing under this agreement shall terminate on December 31, 2009, unless extended. The property is secured by various mortgages with Monroe Bank & Trust.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ -	\$ 8,354	\$ 8,354
2010	<u>123,379</u>	<u>7,404</u>	<u>130,783</u>
	<u>\$123,379</u>	<u>\$15,758</u>	<u>\$139,137</u>

VILLAGE OF DUNDEE

Notes to Financial Statements *Year Ended February 29, 2008*

Note 11 Long-Term Debt (Continued)

2005 Capital Improvement (Limited Tax General Obligations) Bonds dated June 30, 2005 in the aggregate amount of \$1,925,000 for the purpose of construction of the new Village Hall.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$105,000	\$69,837	\$174,837
2010	109,000	66,319	175,319
2011	112,000	62,504	174,504
2012	117,000	58,416	175,416
2013	121,000	54,028	175,028
2014	126,000	49,370	175,370
2015	130,000	44,393	174,393
2016	136,000	39,128	175,128
2017	141,000	33,484	174,484
2018	147,000	27,492	174,492
2019	154,000	21,170	175,170
2020	160,000	14,472	174,472
2021	167,000	7,431	174,431
	<u>\$1,725,000</u>	<u>\$548,044</u>	<u>\$2,273,044</u>

2005 Note Payable to Ford Motor Company, dated July 1, 2005 for \$82,385 to finance a capital lease/installment purchase of a new 2005 Ford L750 Dump Truck.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	<u>\$21,724</u>	<u>\$916</u>	<u>\$22,640</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2005 Note Payable to United Bank & Trust dated July 5, 2005 in the amount of \$160,000 for the purpose of financing the purchase of a 1998 Vactor Truck on a Ford chasis.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$16,000	\$5,394	\$21,394
2010	16,000	4,707	20,707
2011	16,000	4,034	20,034
2012	16,000	3,362	19,362
2013	16,000	2,697	18,697
2014	16,000	2,017	18,017
2015	16,000	1,345	17,345
2016	16,000	672	16,672
	<u>\$128,000</u>	<u>\$24,228</u>	<u>\$152,228</u>

2006 Capital Improvement (Limited Tax General Obligations) Bonds dated October 17, 2006 in the aggregate amount of \$1,300,000 for the purpose of paying all or part of the cost of acquiring and constructing riverwalk improvements along the east and west banks of the Raisin River, together with street scape improvements along M - 50 and miscellaneous road improvements in the Village, including sidewalk, landscaping, lighting, parking, and site improvements.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$40,000	\$54,543	\$94,543
2010	45,000	52,938	97,938
2011	45,000	51,216	96,216
2012	50,000	49,375	99,375
2013	50,000	47,412	97,412
2014	55,000	45,325	100,325
2015	55,000	43,111	98,111
2016	55,000	40,870	95,870
2017	60,000	38,497	98,497
2018	60,000	35,992	95,992
2019	65,000	33,351	98,351
2020	65,000	30,573	95,573
2021	70,000	27,653	97,653
2022	75,000	24,480	99,480
2023	75,000	21,161	96,161
2024	80,000	17,712	97,712
2025	85,000	14,041	99,041
2026	85,000	10,237	95,237
2027	90,000	6,301	96,301
2028	95,000	2,138	97,138
	<u>\$1,300,000</u>	<u>\$646,926</u>	<u>\$1,946,926</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2007 Capital Improvement (Limited Tax General Obligations) Bonds dated February 1, 2007 in the aggregate amount of \$700,000 for the purpose of financing the remaining costs to acquire, construct, furnish and equip new municipal offices with Council Chambers and a new Department of Public Works facility.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$15,000	\$29,882	\$44,882
2010	20,000	29,182	49,182
2011	20,000	28,382	48,382
2012	25,000	27,482	52,482
2013	25,000	26,482	51,482
2014	30,000	25,382	55,382
2015	30,000	24,183	54,183
2016	30,000	22,982	52,982
2017	30,000	21,783	51,783
2018	35,000	20,483	55,483
2019	35,000	19,083	54,083
2020	35,000	17,683	52,683
2021	40,000	16,183	56,183
2022	40,000	14,583	54,583
2023	45,000	12,882	57,882
2024	45,000	11,060	56,060
2025	45,000	9,012	54,012
2026	50,000	6,638	56,638
2027	50,000	4,138	54,138
2028	55,000	1,444	56,444
	<u>\$700,000</u>	<u>\$368,929</u>	<u>\$1,068,929</u>

2005 Note Payable to Elgin Sweeper Company, dated February 15, 2007 for \$130,000 to finance a capital lease/installment purchase of a new 2007 Elgin Street Sweeper.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$18,835	\$5,875	\$24,710
2010	19,886	4,825	24,711
2011	20,996	3,714	24,710
2012	22,168	2,543	24,711
2013	23,405	1,305	24,710
	<u>\$105,290</u>	<u>\$18,262</u>	<u>\$123,552</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2004 Local Development Finance Authority Global Engine Bonds (Limited Tax General Obligation) (Federally Taxable) dated April 1, 2004 in the aggregate principal amount of \$3,200,000 for the acquisition and construction of various infrastructure improvements to assist in the Global Engine Project.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$115,000	\$149,639	\$264,639
2010	125,000	144,868	269,868
2011	130,000	139,637	269,637
2012	140,000	133,688	273,688
2013	145,000	126,987	271,987
2014	155,000	119,633	274,633
2015	165,000	111,632	276,632
2016	175,000	103,045	278,045
2017	185,000	93,819	278,819
2018	195,000	83,985	278,985
2019	210,000	73,350	283,350
2020	220,000	61,900	281,900
2021	235,000	49,670	284,670
2022	250,000	36,512	286,512
2023	260,000	22,550	282,550
2024	280,000	7,700	287,700
	<u>\$2,985,000</u>	<u>\$1,458,615</u>	<u>\$4,443,615</u>

2004 Local Development Finance Authority Global Engine Bonds (Limited Tax General Obligation) (Federally Taxable) dated June 1, 2004 in the aggregate principal amount of \$425,000 for the acquisition and construction of various infrastructure improvements to assist in the Global Engine Project.

Year Fiscal	Principal	Interest	Annual Requirements
2009	\$20,000	\$16,625	\$36,625
2010	20,000	15,825	35,825
2011	20,000	15,025	35,025
2012	25,000	14,125	39,125
2013	25,000	13,125	38,125
2014	25,000	12,125	37,125
2015	25,000	11,063	36,063
2016	25,000	9,937	34,937
2017	25,000	8,813	33,813
2018	25,000	7,687	32,687
2019	25,000	6,563	31,563
2020	25,000	5,437	30,437
2021	25,000	4,313	29,313
2022	25,000	3,125	28,125
2023	25,000	1,875	26,875
2024	25,000	625	25,625
	<u>\$385,000</u>	<u>\$146,288</u>	<u>\$531,288</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Continued)

2005 Local Development Finance Authority Global Engine Refunding Bonds (Village LDFA Tax Exempt) dated October 6, 2005 in the aggregate principal amount of \$2,210,000 for refinancing acquisition - construction of various infrastructure improvements to assist in the Global Engine Project.

<u>Year Fiscal</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Requirements</u>
2009	\$ 100,000	\$ 86,613	\$ 186,613
2010	105,000	83,025	188,025
2011	110,000	79,262	189,262
2012	115,000	75,325	190,325
2013	120,000	71,063	191,063
2014	125,000	66,469	191,469
2015	125,000	61,781	186,781
2016	130,000	56,837	186,837
2017	135,000	51,538	186,538
2018	145,000	45,938	190,938
2019	150,000	40,037	190,037
2020	155,000	33,744	188,744
2021	160,000	27,050	187,050
2022	170,000	20,038	190,038
2023	180,000	12,375	192,375
2024	<u>185,000</u>	<u>4,162</u>	<u>189,162</u>
	<u>\$2,210,000</u>	<u>\$815,257</u>	<u>\$3,025,257</u>

The annual requirements to pay principal and interest on the long-term debt outstanding at February 29, 2008, excluding compensated absences, are as follows:

Business Type Activities:

<u>Fiscal Years</u>	<u>Enterprise Fund</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 735,000	\$ 422,014	\$ 1,157,014
2010	755,000	390,097	1,145,097
2011	585,000	362,970	947,970
2012	615,000	340,449	955,449
2013	475,000	319,644	794,644
2014 - 2018	2,400,000	1,303,255	3,703,255
2019 - 2023	2,810,000	714,662	3,524,662
2024 - 2028	<u>1,420,000</u>	<u>115,250</u>	<u>1,535,250</u>
	<u>\$9,795,000</u>	<u>\$3,968,341</u>	<u>\$13,763,341</u>

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 11 Long-Term Debt (Concluded) Governmental Activities:

<u>Fiscal Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 603,436	\$ 453,580	\$ 1,057,016
2010	3,863,756	428,201	4,291,957
2011	482,122	204,531	686,653
2012	508,952	183,456	692,408
2013	509,871	161,961	671,832
2014 - 2018	1,668,594	543,832	2,212,426
2019 - 2023	1,026,000	260,705	1,286,705
2024 - 2028	680,000	82,721	762,721
	<u>\$9,342,731</u>	<u>\$2,318,987</u>	<u>\$11,661,718</u>

Component Units:

<u>Fiscal Years</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	\$ 235,000	\$ 252,877	\$ 487,877
2010	250,000	243,718	493,718
2011	260,000	233,924	493,924
2012	280,000	223,138	503,138
2013	290,000	211,175	501,175
2014 - 2018	1,660,000	844,302	2,504,302
2019 - 2023	2,115,000	398,539	2,513,539
2024 - 2028	490,000	12,487	502,487
	<u>\$5,580,000</u>	<u>\$2,420,160</u>	<u>\$8,000,160</u>

The annual requirements to pay principal and interest on the long-term debt outstanding do not include requirements of the Economic Development Corporation's note payable to Cabela's Retail, Inc. Payment amounts are based on tax revenues and have not been determined.

Note 12 Water Department - Restricted Assets

Bond Ordinance No. 34 requires a minimum balance of \$1,000 to be on deposit in the Replacement Fund and \$8,000 to be on deposit in the Bond Reserve Fund. These requirements have been met.

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 13 Segment Information for Enterprise Fund

The Village maintains one Enterprise Fund which provides water and sewer services to Village residents. Segment information for the year ended February 29, 2008 follows:

	<u>Combined</u>	<u>Water</u>	<u>Sewer</u>
Operating revenues	\$ 1,849,871	\$967,870	\$882,001
Depreciation and amortization	823,142	323,024	500,118
Operating income (loss)	(427,979)	(130,408)	(297,571)
Tax revenues	225,557	-	225,557
Net income (loss) before contributions and transfers	(491,252)	(259,803)	(231,449)
Property and equipment additions	213,557		
Bonds and contracts payables	9,795,000		
Net working capital	1,337,429		
Total assets	26,898,622		
Total net assets	16,888,423		

Note 14 Accrued Compensated Absences

The Village has accrued liability to its employees for accumulated vested vacation benefits. The Village's employment policy provides that vacation days can not be carried over. The period begins and ends on the employee's anniversary date.

The Village accrued vacation pay of \$27,226 in the Water and Sewage Disposal Enterprise Fund at February 29, 2008. Vacation pay of approximately \$52,232 relating to the governmental activities is reported in the government-wide financial statements. The Village's employment policy allows for sick days to be carried forward.

Note 15 Contingent Liability - Unemployment Compensation

Effective January 1, 1975 political subdivisions became subject to the Michigan Employment Security Act. The Village of Dundee, instead of paying regular contributions to the State Unemployment Fund, elected to make reimbursement payments. The Village is self-insuring its contingent liability for reimbursement payments, by making appropriations to the Unemployment Compensation Fund. It is not possible to estimate the potential expense from future unemployment claims.

Note 16 Contingent Liability - Federal and State Grants

During the past several years federal and state grants for various projects have been received that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant.

VILLAGE OF DUNDEE

Notes to Financial Statements Year Ended February 29, 2008

Note 17 Land Transfer Agreement

On January 21, 1992, under Act No. 425 of the Public Acts of Michigan of 1984, the Village of Dundee and Dundee Township approved a land transfer agreement to conditionally transfer Dundee Township property owned by Holnam, Inc. to the Village of Dundee.

This agreement is for the purposes of creating a LDFA district and capturing the taxes on any new construction and for general taxing purposes under the Village's taxing authority and for any other reason or purposes necessary to pay for the extensions of water and sewer services to a designated location to serve the Holnam, Inc. property and any and all costs connected with the extensions and with the sale of bonds, the proceeds from which will be used to pay for the extensions. This agreement shall terminate when the bonds for the water and sewer extensions and any and all costs associated with the extensions and when the issuance of the bonds have been paid in full from taxes captured from the transferred area through the LDFA.

For all other purposes, the property shall remain under the jurisdiction of the Township.

Note 18 Excess of Expenditures over Appropriations

During the year ended February 29, 2008, the Village incurred the following instance of expenditures in excess of the amounts appropriated.

<u>Fund</u>	<u>Appropriation</u>	<u>Expenditures</u>	<u>Excess Expenditures</u>
Historical Commission Fund	\$53,703	\$72,859	\$19,156

Note 19 Risk Management

The Village is exposed to various risks of loss related to property loss, torts, errors, omissions and employee injuries (workman's compensation). The Village has purchased commercial insurance for property loss, torts, errors, omissions and employee injuries.

REQUIRED SUPPLEMENTAL INFORMATION

VILLAGE OF DUNDEE

General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues:				
Taxes:				
Property taxes	\$1,511,000	\$1,561,000	\$1,180,345	(\$380,655)
Licenses and Permits:				
Business licenses and permits	40,050	50,050	56,124	6,074
State Grants:				
State revenue sharing	220,000	220,000	286,067	66,067
Liquor license fees	4,000	4,000	3,716	(284)
	<u>224,000</u>	<u>224,000</u>	<u>289,783</u>	<u>65,783</u>
Fines and Forfeits:				
Fines	5,400	5,400	4,967	(433)
Interest and Rentals:				
Interest	75,800	75,800	89,447	13,647
Equipment rental	70,000	70,000	102,625	32,625
Building rental	12,000	12,000	21,725	9,725
	<u>157,800</u>	<u>157,800</u>	<u>213,797</u>	<u>55,997</u>
Other Revenue:				
Other revenue	15,900	15,900	72,235	56,335
	<u>15,900</u>	<u>15,900</u>	<u>72,235</u>	<u>56,335</u>
Total Revenues	1,954,150	2,014,150	1,817,251	(196,899)
Expenditures:				
Legislative:				
Village president and council	23,348	23,348	20,659	2,689
General government				
Village manager	91,208	91,208	104,975	(13,767)
Clerk - elections	500	500	0	500
Attorney	54,681	54,681	57,458	(2,777)
Independent accounting and auditing	6,800	6,800	6,500	300
Clerk - staff	120,815	120,815	124,194	(3,379)
Treasurer	9,789	9,789	8,569	1,220
Village hall and grounds	17,500	17,500	33,938	(16,438)
Community center	100	100	3,844	(3,744)
	<u>301,393</u>	<u>301,393</u>	<u>339,478</u>	<u>(38,085)</u>

See accompanying notes to the basic financial statements

VILLAGE OF DUNDEE

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Expenditures (Concluded):				
Public Safety:				
Police protection	\$252,883	\$273,883	\$314,837	(\$40,954)
Blight inspector	2,040	2,040	1,938	102
Street lights	90,000	90,000	146,734	(56,734)
Building safety - fire warden	850	850	841	9
Engineering	121,732	121,732	131,928	(10,196)
	<u>467,505</u>	<u>488,505</u>	<u>596,278</u>	<u>(107,773)</u>
Public Works	221,285	221,285	234,025	(12,740)
Culture and Recreation:				
Economic development	146,500	146,504	160,444	(13,940)
Insurance (Bonds & Liability)	<u>23,200</u>	<u>23,200</u>	<u>19,812</u>	<u>3,388</u>
Total Expenditures	<u>1,183,231</u>	<u>1,204,235</u>	<u>1,370,696</u>	<u>(166,461)</u>
Excess (Deficiency) of Revenues over Expenditures	770,919	809,915	446,555	(363,360)
Other Financing Sources (Uses):				
Proceeds from the sale of assets	0	0	6,000	6,000
Operating transfers in	37,200	33,200	22,000	(11,200)
Operating transfers out	<u>(1,057,619)</u>	<u>(1,107,619)</u>	<u>(669,486)</u>	<u>438,133</u>
Total Other Financing Sources (Uses)	<u>(1,020,419)</u>	<u>(1,074,419)</u>	<u>(641,486)</u>	<u>432,933</u>
Net Change in Fund Balance	(249,500)	(264,504)	(194,931)	69,573
Fund Balances - Beginning of Year	<u>249,500</u>	<u>264,504</u>	<u>2,175,289</u>	<u>1,910,785</u>
Fund Balances - End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$1,980,358</u>	<u>\$1,980,358</u>

VILLAGE OF DUNDEE

Major Street Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
State grants:				
Gas and weight tax	\$165,000	\$165,000	\$174,060	\$9,060
Self Help	20,000	20,000	0	(20,000)
Interest	7,000	7,000	9,328	2,328
Total Revenues	192,000	192,000	183,388	(8,612)
Expenditures:				
Public works:				
Construction	113,960	113,960	3,884	110,076
Routing maintenance - roads and streets	137,678	137,678	122,411	15,267
Traffic services - maintenance	7,077	7,077	3,496	3,581
Winter maintenance	20,074	20,074	33,995	(13,921)
Roadside parks and parkways	44,151	44,151	25,828	18,323
Administration, engineering and recordkeeping	9,940	9,940	10,286	(346)
Total Expenditures	332,880	332,880	199,900	132,980
Excess (Deficiency) of Revenues over Expenditures	(140,880)	(140,880)	(16,512)	124,368
Other Financing Sources (Uses):				
Operating transfers in	144,405	144,405	60,000	(84,405)
Operating transfers out	(33,525)	(33,525)	(33,525)	0
Total Other Financing Sources (Uses)	110,880	110,880	26,475	(84,405)
Net Change in Fund Balance	(30,000)	(30,000)	9,963	39,963
Fund Balance - Beginning of Year	212,268	212,268	212,268	0
Fund Balance - End of Year	\$182,268	\$182,268	\$222,231	\$39,963

VILLAGE OF DUNDEE

Local Street Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
State grants:				
Gas and weight tax	\$60,117	\$60,117	\$63,247	\$3,130
Interest	2,300	2,300	3,537	1,237
Other income	0	0	1,583	1,583
Total Revenues	62,417	62,417	68,367	5,950
Expenditures:				
Public works:				
Construction - contractual services	131,265	131,265	576	130,689
Routing maintenance - roads and streets	105,000	105,000	89,260	15,740
Traffic services - maintenance	2,089	2,089	212	1,877
Winter maintenance	13,100	13,100	19,523	(6,423)
Administration, engineering and recordkeeping	10,100	10,100	10,286	(186)
Total Expenditures	261,554	261,554	119,857	141,697
Excess (Deficiency) of Revenues over Expenditures	(199,137)	(199,137)	(51,490)	147,647
Other Financing Sources (Uses):				
Operating transfers in	199,137	199,137	85,000	(114,137)
Net Change in Fund Balance	0	0	33,510	33,510
Fund Balance - Beginning of Year	92,201	92,201	92,201	0
Fund Balance - End of Year	\$92,201	\$92,201	\$125,711	\$33,510

OTHER SUPPLEMENTAL INFORMATION

VILLAGE OF DUNDEE

General Fund Detailed Statement of Expenditures Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Village President and Council:				
President's fees/council fees	\$15,000	\$15,000	\$13,728	\$1,272
FICA expense	1,148	1,148	1,051	97
Travel/conferences	3,500	3,500	600	2,900
Telephone	2,200	2,200	3,294	(1,094)
Miscellaneous	1,500	1,500	1,986	(486)
	<u>23,348</u>	<u>23,348</u>	<u>20,659</u>	<u>2,689</u>
Village Manager:				
Manager's salary	55,000	55,000	64,453	(9,453)
FICA expense	4,208	4,208	5,120	(912)
Hospitalization	21,000	21,000	24,811	(3,811)
Life insurance	400	400	458	(58)
Supplies and postage	1,000	1,000	1,053	(53)
Conference and seminars	500	500	0	500
Telephone	4,400	4,400	4,893	(493)
Travel expense	3,600	3,600	3,942	(342)
Dues	100	100	0	100
Miscellaneous	1,000	1,000	244	756
	<u>91,208</u>	<u>91,208</u>	<u>104,974</u>	<u>(13,766)</u>
Clerk-Elections	500	500	0	500
Attorney:				
Administrative wages	46,800	46,800	53,160	(6,360)
Legal advisor	3,000	3,000	232	2,768
FICA expense	3,581	3,581	4,067	(486)
Conference and seminars	1,300	1,300	0	1,300
	<u>54,681</u>	<u>54,681</u>	<u>57,459</u>	<u>(2,778)</u>
Independent Accounting and Audit:				
Accounting and auditing fees	6,800	6,800	6,500	300
Clerk-Staff:				
Fees elected	2,400	2,400	2,260	140
Wages clerical	54,000	54,000	59,796	(5,796)
FICA expense	4,315	4,315	4,817	(502)
Hospitalization insurance	30,000	30,000	17,064	12,936
Life insurance	450	450	200	250
Retirement contribution	3,000	3,000	0	3,000
Supplies and postage	8,500	8,500	16,233	(7,733)
Computer/software costs	2,000	2,000	5,455	(3,455)
Contractual	1,000	1,000	318	682
Telephone	2,600	2,600	3,098	(498)
Equipment maintenance	3,000	3,000	6,203	(3,203)

VILLAGE OF DUNDEE

General Fund Detailed Statement of Expenditures Budget and Actual (Continued) Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Clerk-Staff (concluded):				
Publishing	\$4,000	\$4,000	\$5,730	(\$1,730)
Conferences and training	800	800	675	125
Miscellaneous	1,250	1,250	795	455
Dues	500	500	0	500
Travel	1,000	1,000	900	100
Capital outlay	2,000	2,000	650	1,350
	<u>120,815</u>	<u>120,815</u>	<u>124,194</u>	<u>(3,379)</u>
Treasurer:				
Treasurer's salary	6,000	6,000	6,000	0
FICA expense	689	689	459	230
Supplies	1,300	1,300	1,760	(460)
Tax bill preparation	300	300	280	20
Conferences and training	100	100	70	30
Equipment	1,400	1,400	0	1,400
	<u>9,789</u>	<u>9,789</u>	<u>8,569</u>	<u>1,220</u>
Village Hall and Grounds:				
Utilities	7,500	6,000	8,746	(2,746)
Repairs and maintenance	10,000	11,500	25,192	(13,692)
	<u>17,500</u>	<u>17,500</u>	<u>33,938</u>	<u>(16,438)</u>
Community Center:				
Building maintenance	100	100	3,844	(3,744)
Police Protection:				
Police salaries	5,000	5,000	5,168	(168)
FICA expense	383	383	396	(13)
Contractual services	220,000	220,000	259,064	(39,064)
Legal expenses	4,000	4,000	5,186	(1,186)
Auto maintenance	5,000	5,000	1,537	3,463
Gas and oil	8,200	8,200	10,976	(2,776)
Radio maintenance	700	700	2,999	(2,299)
Telephone	2,100	2,100	2,165	(65)
Office supplies	2,500	2,500	2,065	435
Miscellaneous	5,000	26,000	25,282	718
	<u>252,883</u>	<u>273,883</u>	<u>314,838</u>	<u>(40,955)</u>

VILLAGE OF DUNDEE

General Fund Detailed Statement of Expenditures Budget and Actual (Continued) Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Blight Inspector:				
Fees	\$1,800	\$1,800	\$1,800	\$0
FICA expense	140	140	138	2
Supplies	50	50	0	50
Travel	50	50	0	50
	<u>2,040</u>	<u>2,040</u>	<u>1,938</u>	<u>102</u>
Street Lighting:				
Street lights	90,000	90,000	146,734	(56,734)
Building Safety - Fire Warden:				
Inspectors' fees	650	650	642	8
FICA expense	50	50	49	1
Supplies	150	150	150	0
	<u>850</u>	<u>850</u>	<u>841</u>	<u>9</u>
Engineering:				
Wages	81,500	81,500	89,803	(8,303)
FICA expense	6,240	6,240	7,230	(990)
Hospitalization insurance	15,500	15,500	20,128	(4,628)
Life insurance	192	192	236	(44)
Supplies	2,000	2,000	1,707	293
Computer/software costs	10,000	10,000	0	10,000
Conferences and Training	1,000	1,000	4,677	(3,677)
Telephone	1,000	1,000	1,983	(983)
Travel expense	4,200	4,200	4,710	(510)
Gas and Oil	0	0	56	(56)
Miscellaneous	100	100	1,398	(1,298)
	<u>121,732</u>	<u>121,732</u>	<u>131,928</u>	<u>(10,196)</u>

VILLAGE OF DUNDEE

General Fund Detailed Statement of Expenditures Budget and Actual (Concluded) Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Public Works:				
Maintenance wages	\$90,000	\$90,000	\$90,215	(\$215)
FICA expense	6,885	6,885	6,901	(16)
Hospitalization insurance	40,000	40,000	34,513	5,487
Life insurance	400	400	247	153
Retirement	2,000	2,000	0	2,000
Office supplies	1,000	1,000	1,089	(89)
Engineering	1,000	1,000	0	1,000
Conferences and Training	500	500	352	148
Telephone	4,700	4,700	3,595	1,105
Gas and Oil	10,000	10,000	16,560	(6,560)
Utilities	5,000	5,000	6,552	(1,552)
Building maintenance	6,000	6,000	17,938	(11,938)
Equipment maintenance	19,000	19,000	18,298	702
Tree trimming & tree purchases	25,000	25,000	25,370	(370)
Sanitation	1,800	1,800	1,743	57
Miscellaneous	1,500	1,500	1,661	(161)
Uniform expense	1,500	1,500	1,276	224
New equipment	5,000	5,000	7,715	(2,715)
	<u>221,285</u>	<u>221,285</u>	<u>234,025</u>	<u>(12,740)</u>
Economic Development:				
Contractual services	25,000	25,000	16,291	8,709
Conferences and training	200	100	0	100
Community promotion	59,000	59,004	14,159	44,845
Legal	8,000	8,000	9,318	(1,318)
Engineering	15,000	15,000	43,419	(28,419)
Dues	3,200	3,200	4,553	(1,353)
Contribution to MCIDC	2,500	2,500	2,500	0
Grounds	25,000	25,000	62,947	(37,947)
Supplies	150	150	0	150
Postage	100	100	0	100
Telephone	50	50	0	50
Publishing	500	500	268	232
Travel	100	100	0	100
Advertising	6,500	6,500	6,510	(10)
Miscellaneous	200	300	479	(179)
Equipment	1,000	1,000	0	1,000
	<u>146,500</u>	<u>146,504</u>	<u>160,444</u>	<u>(13,940)</u>
Insurance (Bonds & Liability)	<u>23,200</u>	<u>23,200</u>	<u>19,812</u>	<u>3,388</u>
Total Expenditures	<u>\$1,183,231</u>	<u>\$1,204,235</u>	<u>\$1,370,697</u>	<u>(\$166,462)</u>

VILLAGE OF DUNDEE

*Combining Balance Sheet
Nonmajor Governmental Funds
February 29, 2008*

	Nonmajor Special Revenue Funds				Nonmajor Capital Improvement Funds	
	Municipal Street	Parks and Recreation	Historical Commission	Building Department	Economic Development	Sewer Separation and Street Rehabilitation
Assets						
Cash and money management accounts	\$1,277,000	\$681	\$762	\$58,736	\$195,377	\$15,497
Receivables:						
Delinquent taxes	53,316	0	0	0	0	0
Special assessments	0	0	0	0	0	0
Due from other funds	8,374	0	3,844	0	0	0
Accrued interest receivable	737	0	0	0	123	0
Prepaid Insurance	0	0	50	547	0	0
Total Assets	\$1,339,427	\$681	\$4,656	\$59,283	\$195,500	\$15,497
Liabilities						
Accounts payable/retainage	\$0	\$372	\$2,763	\$4,984	\$0	\$1,395
Accrued wages	0	0	0	367	0	0
Due to other funds	2,496	0	0	5,625	0	0
Deferred revenues	0	0	0	12,085	0	0
Total Liabilities	2,496	372	2,763	23,061	0	1,395
Fund Balance						
Reserved for capital improvements	0	0	0	0	195,500	14,102
Reserved for debt service	0	0	0	0	0	0
Unreserved	1,336,931	309	1,893	36,222	0	0
Total Fund Balances	1,336,931	309	1,893	36,222	195,500	14,102
Total Liabilities and Fund Balances	\$1,339,427	\$681	\$4,656	\$59,283	\$195,500	\$15,497

Nonmajor Debt Service Funds

1993 Special Assessment Bonds	1993 G.O. Bonds	1993 MTF Bonds	1994 DDA LTGO Bonds	1996 MTF Bonds	1996 Special Assessment Bonds	1998 G.O. Bonds	1998 Special Assessment Bonds	1999 Special Assessment Bonds	2000 Special Assessment Bonds	2001 Special Assessment Bonds
\$26,476	\$6,403	\$2,755	\$1,560	\$1,269	\$0	\$7,691	\$13,899	\$32,998	\$51,882	\$43,682
2,421	0	0	0	0	0	0	14,927	0	0	2,449
24,448	0	0	0	0	0	0	154,324	34,362	90,000	95,913
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
<u>\$53,345</u>	<u>\$6,403</u>	<u>\$2,755</u>	<u>\$1,560</u>	<u>\$1,269</u>	<u>\$0</u>	<u>\$7,691</u>	<u>\$183,150</u>	<u>\$67,360</u>	<u>\$141,882</u>	<u>\$142,044</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$264
0	0	0	0	0	0	0	0	0	0	0
15,000	0	0	0	1,269	0	0	0	0	0	0
6,511	0	0	0	0	0	0	122,773	0	60,000	85,006
<u>21,511</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,269</u>	<u>0</u>	<u>0</u>	<u>122,773</u>	<u>5,000</u>	<u>60,000</u>	<u>85,270</u>
0	0	0	0	0	0	0	0	0	0	0
31,834	6,403	2,755	1,560	0	0	7,691	60,377	62,360	81,882	56,774
0	0	0	0	0	0	0	0	0	0	0
<u>31,834</u>	<u>6,403</u>	<u>2,755</u>	<u>1,560</u>	<u>0</u>	<u>0</u>	<u>7,691</u>	<u>60,377</u>	<u>62,360</u>	<u>81,882</u>	<u>56,774</u>
<u>\$53,345</u>	<u>\$6,403</u>	<u>\$2,755</u>	<u>\$1,560</u>	<u>\$1,269</u>	<u>\$0</u>	<u>\$7,691</u>	<u>\$183,150</u>	<u>\$67,360</u>	<u>\$141,882</u>	<u>\$142,044</u>

2004 Installment Purchase	2004 Special Assessment Bonds	2005 Capital Improvement G.O. Bonds	2005 Ford Installment Loan	2005 Vactor Installment Loan	2006 Capital Improvement G.O. Bonds	2007 Capital Improvement G.O. Bonds	2007 Sweeper Installment Loan	Total Nonmajor Governmental Funds
\$0	\$914	\$1,224	\$0	\$0	\$405	\$115	\$0	\$1,739,326
0	11,445	0	0	0	0	0	0	84,558
0	91,956	0	0	0	0	0	0	491,003
0	0	0	0	0	0	0	0	12,218
0	0	0	0	0	0	0	0	860
0	0	0	0	0	0	0	0	597
<u>\$0</u>	<u>\$104,315</u>	<u>\$1,224</u>	<u>\$0</u>	<u>\$0</u>	<u>\$405</u>	<u>\$115</u>	<u>\$0</u>	<u>\$2,328,562</u>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,778
0	0	0	0	0	0	0	0	367
0	0	0	0	0	0	0	0	24,390
0	76,630	0	0	0	0	0	0	363,005
0	76,630	0	0	0	0	0	0	402,540
0	0	0	0	0	0	0	0	209,602
0	27,685	1,224	0	0	405	115	0	341,065
0	0	0	0	0	0	0	0	1,375,355
0	27,685	1,224	0	0	405	115	0	1,926,022
<u>\$0</u>	<u>\$104,315</u>	<u>\$1,224</u>	<u>\$0</u>	<u>\$0</u>	<u>\$405</u>	<u>\$115</u>	<u>\$0</u>	<u>\$2,328,562</u>

VILLAGE OF DUNDEE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended February 29, 2008

	Nonmajor Special Revenue Funds				Nonmajor Capital Improvement Funds	
	Municipal Street	Parks and Recreation	Historical Commission	Building Department	Economic Development	Sewer Separation and Street Rehabilitation
Revenues:						
Taxes	\$540,456	\$0	\$0	\$0	\$0	\$0
Special assessments	0	0	0	0	0	0
Interest and rentals	35,128	12	8,623	568	5,975	168
Licenses and permits	0	0	0	120,172	0	0
Other revenues	0	0	5,100	0	0	0
Total Revenues	575,584	12	13,723	120,740	5,975	168
Expenditures:						
Public safety	0	0	0	215,285	0	0
Culture and recreation	0	5,683	72,859	0	0	0
Admin fees	1,000	0	0	0	0	0
Debt service	0	0	0	0	0	0
Total Expenditures	1,000	5,683	72,859	215,285	0	0
Excess (Deficiency) of Revenues over Expenditures	574,584	(5,671)	(59,136)	(94,545)	5,975	168
Other Financing Sources (Uses):						
Operating transfers in	1,269	4,500	61,000	100,000	20,246	0
Operating transfers (out)	(276,241)	0	0	0	0	0
Total Other Financing Sources (Uses)	(274,972)	4,500	61,000	100,000	20,246	0
Net Change in Fund Balances	299,612	(1,171)	1,864	5,455	26,221	168
Fund Balances - Beginning of Year	1,037,319	1,480	29	30,767	169,279	13,934
Fund Balances - End of Year	<u>\$1,336,931</u>	<u>\$309</u>	<u>\$1,893</u>	<u>\$36,222</u>	<u>\$195,500</u>	<u>\$14,102</u>

Nonmajor Debt Ser

1993 Special Assessment Bonds	1993 G.O. Bonds	1993 MTF Bonds	1994 DDA LTGO Bonds	1996 MTF Bonds	1996 Special Assessment Bonds	1998 G.O. Bonds	1998 Special Assessment Bonds	1999 Special Assessment Bonds	2000 Special Assessment Bonds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18,389	0	0	0	0	0	0	32,159	30,762	30,000
318	173	107	514	14	23	51	11,567	4,312	8,315
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
18,707	173	107	514	14	23	51	43,726	35,074	38,315
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
27,263	43,500	32,600	174,623	0	0	12,970	39,405	43,535	37,263
27,263	43,500	32,600	174,623	0	0	12,970	39,405	43,535	37,263
(8,556)	(43,327)	(32,493)	(174,109)	14	23	(12,919)	4,321	(8,461)	1,052
4,396	44,650	33,525	174,530	0	0	12,960	0	0	0
0	0	0	0	(1,269)	(4,396)	0	0	0	0
4,396	44,650	33,525	174,530	(1,269)	(4,396)	12,960	0	0	0
(4,160)	1,323	1,032	421	(1,255)	(4,373)	41	4,321	(8,461)	1,052
35,994	5,080	1,723	1,139	1,255	4,373	7,650	56,056	70,821	80,830
\$31,834	\$6,403	\$2,755	\$1,560	\$0	\$0	\$7,691	\$60,377	\$62,360	\$81,882

vice Funds

2001 Special Assessment Bonds	2004 Installment Purchase	2004 Special Assessment Bonds	2005 Capital Improvement G.O. Bonds	2005 Dump Installment Loan	2005 Vactor Installment Loan	2006 Capital Improvement G.O. Bond	2007 Capital Improvement G.O. Bond	2007 Sweeper Installment Loan	Total Nonmajor Governmental Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$540,456
10,657	0	15,326	0	0	0	0	0	0	137,293
6,909	0	5,012	48	0	0	74	3	0	87,914
0	0	0	0	0	0	0	0	0	120,172
0	0	0	0	0	0	0	0	0	5,100
17,566	0	20,338	48	0	0	74	3	0	890,935
0	0	0	0	0	0	0	0	0	215,285
0	0	0	0	0	0	0	0	0	78,542
0	0	0	0	0	0	0	0	0	1,000
22,259	21,168	24,188	173,036	22,641	22,063	57,443	22,775	0	776,732
22,259	21,168	24,188	173,036	22,641	22,063	57,443	22,775	0	1,071,559
(4,693)	(21,168)	(3,850)	(172,988)	(22,641)	(22,063)	(57,369)	(22,772)	0	(180,624)
0	21,168	0	173,200	22,641	22,063	57,774	22,887	0	776,809
0	0	0	0	0	0	0	0	0	(281,906)
0	21,168	0	173,200	22,641	22,063	57,774	22,887	0	494,903
(4,693)	0	(3,850)	212	0	0	405	115	0	314,279
61,467	0	31,535	1,012	0	0	0	0	0	1,611,743
\$56,774	\$0	\$27,685	\$1,224	\$0	\$0	\$405	\$115	\$0	\$1,926,022

SPECIAL REVENUE FUNDS

1. Municipal Street Fund
2. Parks and Recreation Fund
3. Historical Commission
4. Building Department Fund

VILLAGE OF DUNDEE

Municipal Street Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$640,000	\$640,000	\$540,456	(\$99,544)
Interest	<u>20,000</u>	<u>20,000</u>	<u>35,128</u>	<u>15,128</u>
Total Revenues	660,000	660,000	575,584	(84,416)
Expenditures:				
Public works:				
Construction	10,000	10,000	0	10,000
Administration and Engineering	<u>1,200</u>	<u>1,200</u>	<u>1,000</u>	<u>200</u>
Total Expenditures	<u>11,200</u>	<u>11,200</u>	<u>1,000</u>	<u>10,200</u>
Excess (Deficiency) of Revenues over Expenditures	648,800	648,800	574,584	(74,216)
Other Financing Sources (Uses):				
Operating transfers in	0	0	1,269	1,269
Operating transfers out	<u>(663,952)</u>	<u>(663,952)</u>	<u>(276,241)</u>	<u>387,711</u>
Net Change in Fund Balance	(15,152)	(15,152)	299,612	314,764
Fund Balance - Beginning of Year	<u>15,152</u>	<u>15,152</u>	<u>1,037,319</u>	<u>1,022,167</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$1,336,931</u>	<u>\$1,336,931</u>

VILLAGE OF DUNDEE

Parks and Recreation Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest and rentals:				
Interest	\$10	\$10	\$12	\$2
Program income	7,000	7,000	0	(7,000)
Total Revenues	7,010	7,010	12	(6,998)
Expenditures:				
Culture and Recreation:				
Audit fees	600	600	800	(200)
Building maintenance	4,000	4,000	3,434	566
Programs	7,000	7,000	1,100	5,900
Park maintenance	100	100	0	100
Sanitation	300	300	349	(49)
Total Expenditures	12,000	12,000	5,683	6,317
Excess (Deficiency) of Revenues over Expenditures	(4,990)	(4,990)	(5,671)	(681)
Other Financing Sources (Uses):				
Operating transfers in	5,000	5,000	4,500	(500)
Net Change in Fund Balance	10	10	(1,171)	(1,181)
Fund Balance - Beginning of Year	1,480	1,480	1,480	0
Fund Balance - End of Year	<u>\$1,490</u>	<u>\$1,490</u>	<u>\$309</u>	<u>(\$1,181)</u>

VILLAGE OF DUNDEE

Historical Commission Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest and rentals:				
Interest	\$20	\$20	\$23	\$3
Rentals	6,000	6,000	8,600	2,600
Other income	6,500	6,500	5,100	(1,400)
Total Revenues	12,520	12,520	13,723	1,203
Expenditures:				
Culture and Recreation:				
Wages	12,000	12,000	15,031	(3,031)
FICA expense	918	918	1,150	(232)
Professional services	600	600	800	(200)
Bonds and insurance	150	150	100	50
Telephone & utilities	14,300	14,300	16,130	(1,830)
Community promotion	200	200	300	(100)
Building maintenance	22,360	22,360	36,382	(14,022)
Sanitation	3,000	3,000	2,715	285
Miscellaneous	175	175	251	(76)
Total Expenditures	53,703	53,703	72,859	(19,156)
Excess (Deficiency) of Revenues over Expenditures	(41,183)	(41,183)	(59,136)	(17,953)
Other Financing Sources (Uses):				
Operating transfers in	41,183	41,183	61,000	19,817
Net Change in Fund Balance	0	0	1,864	1,864
Fund Balance - Beginning of Year	29	29	29	0
Fund Balance - End of Year	\$29	\$29	\$1,893	\$1,864

VILLAGE OF DUNDEE

Building Department Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Building fees	\$166,000	\$99,400	\$69,240	(\$30,160)
Electrical fees	35,000	35,000	10,410	(24,590)
Plumbing fees	20,000	20,000	7,430	(12,570)
Mechanical fees	23,000	23,000	9,179	(13,821)
Registration fees	2,500	2,500	2,181	(319)
Planning review fees	2,000	2,000	18,295	16,295
Zoning board authority fees	2,000	2,000	1,850	(150)
Interest	1,018	1,018	568	(450)
Other income	500	500	1,587	1,087
Total Revenues	252,018	185,418	120,740	(64,678)
Expenditures:				
Public safety				
Building department expenses	2,900	2,900	7,694	(4,794)
Village manager	24,759	24,759	16,693	8,066
Legal	16,794	16,794	10,464	6,330
Village clerk	12,703	12,703	8,824	3,879
Building inspector	73,290	73,290	51,183	22,107
Electrical inspector	23,007	23,007	17,647	5,360
Dangerous building hearing officer	423	423	42	381
Mechanical inspector	16,248	16,248	11,526	4,722
Plumbing inspector	16,248	16,248	10,896	5,352
Engineer	21,998	24,198	26,798	(2,600)
Zoning board of appeals	2,342	3,542	3,053	489
Planning commission	26,106	56,106	50,465	5,641
Total Expenditures	236,818	270,218	215,285	54,933
Excess (Deficiency) of				
Revenues over Expenditures	15,200	(84,800)	(94,545)	(9,745)
Other Financing Sources (Uses):				
Operating transfer in	0	100,000	100,000	0
Operating transfer out	(15,200)	(15,200)	0	15,200
Total Other Financing Sources (Uses)	(15,200)	84,800	100,000	15,200
Net Change in Fund Balance	0	0	5,455	5,455
Fund Balance - Beginning of Year	30,767	30,767	30,767	0
Fund Balance - End of Year	<u>\$30,767</u>	<u>\$30,767</u>	<u>\$36,222</u>	<u>\$5,455</u>

See accompanying notes to the basic financial statements

CAPITAL IMPROVEMENT FUNDS

1. Industrial Park/Equipment Purchase Fund
2. Economic Development Corporation - Construction Fund
3. Sewer Separation and Street Rehabilitation Fund

VILLAGE OF DUNDEE

Industrial Park/Equipment Purchase Fund Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues:				
Interest	\$30,000	\$30,000	\$23,951	(\$6,049)
Federal grant	500,000	500,000	103,326	(396,674)
 Total Revenues	 530,000	 530,000	 127,277	 (402,723)
Expenditures:				
Capital Outlay:				
Village hall and community center	21,000	21,000	51,441	(30,441)
Department of public works	125,000	125,000	136,443	(11,443)
Water, sewer and road system expansion	1,455,000	1,455,000	977	1,454,023
Economic development	500,000	500,000	26,610	473,390
Property purchase	2,000	2,000	0	2,000
Police services	27,000	27,000	0	27,000
Riverwalk improvements	1,520,000	1,520,000	664,129	855,871
 Total Expenditures	 3,650,000	 3,650,000	 879,600	 2,770,400
 Excess (Deficiency) of Revenues over Expenditures	 (3,120,000)	 (3,120,000)	 (752,323)	 2,367,677
Other Financing Sources (Uses):				
Bond / loan proceeds	2,225,000	2,225,000	0	(2,225,000)
Operating transfers in	145,000	145,000	95,000	(50,000)
Operating transfers out	0	0	(76,716)	(76,716)
 Total Other Financing Sources (Uses)	 2,370,000	 2,370,000	 18,284	 (2,351,716)
 Net Change in Fund Balance	 (750,000)	 (750,000)	 (734,039)	 15,961
 Fund Balance - Beginning of Year	 750,000	 750,000	 1,426,329	 676,329
 Fund Balance - End of Year	 \$0	 \$0	 \$692,290	 \$692,290

VILLAGE OF DUNDEE

Economic Development Corporation - Construction Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$4,500	\$4,500	\$5,975	\$1,475
Expenditures:				
Capital outlay	<u>19,500</u>	<u>19,500</u>	<u>0</u>	<u>19,500</u>
Excess (Deficiency) of Revenues over Expenditures	(15,000)	(15,000)	5,975	20,975
Other Financing Sources (Uses):				
Operating transfers in	<u>15,000</u>	<u>15,000</u>	<u>20,246</u>	<u>5,246</u>
Net Change in Fund Balance	0	0	26,221	26,221
Fund Balance - Beginning of Year	<u>169,279</u>	<u>169,279</u>	<u>169,279</u>	<u>0</u>
Fund Balance - End of Year	<u>\$169,279</u>	<u>\$169,279</u>	<u>\$195,500</u>	<u>\$26,221</u>

VILLAGE OF DUNDEE

Sewer Separation and Street Rehabilitation Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Interest	\$130	\$130	\$168	\$38
Expenditures:	0	0	0	0
Net Change in Fund Balance	130	130	168	38
Fund Balance - Beginning of Year	13,934	13,934	13,934	0
Fund Balance - End of Year	<u>\$14,064</u>	<u>\$14,064</u>	<u>\$14,102</u>	<u>\$38</u>

GENERAL DEBT SERVICE FUNDS

General Debt Service Funds

To account for payments of interest and principal on long-term general obligation debt other than that payable by an enterprise fund. There are eighteen (18) debt service funds to account for:

1. 1993 Special Assessment Street Bonds
2. 1993 General Obligation Bonds
3. 1993 Michigan Transportation Fund (MTF) Bonds
4. 1994 Downtown Development Authority Bonds
5. 1996 Michigan Transportation Fund (MTF) Bonds
6. 1996 Special Assessment Bonds (Outer Drive Drainage)
7. 1998 General Obligation Bonds
8. 1998 Special Assessment Bonds (Stowell/Commerce)
9. 1999 Special Assessment Bonds (Oak/Waterstradt)
10. 2000 Special Assessment Bonds (Industrial Complex)
11. 2001 Special Assessment Bonds (Rawson Street)
12. 2004 Installment Purchase (141 Riley)
13. 2004 Special Assessment Bonds (First Street)
14. 2005 Capital Improvement General Obligation Bonds
15. 2005 Ford Installment Loan (Ford Motor Credit)
16. 2005 Vactor Installment Loan (United Bank & Trust)
17. 2006 Capital Improvement General Obligation Bonds
18. 2007 Capital Improvement General Obligation Bonds

VILLAGE OF DUNDEE

1993 Special Assessment Bonds Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Special assessment	\$21,820	\$21,820	\$18,389	(\$3,431)
Interest	200	200	318	118
Total Revenues	22,020	22,020	18,707	(3,313)
Expenditures:				
Debt service:				
Principal	25,000	25,000	25,000	0
Interest	2,750	2,750	2,063	687
Agent fees	400	400	200	200
Total Expenditures	28,150	28,150	27,263	887
Excess (Deficiency) of Revenues over Expenditures	(6,130)	(6,130)	(8,556)	(2,426)
Other Financing Sources (Uses):				
Operating transfers in	0	0	4,396	4,396
Net Change in Fund Balance	(6,130)	(6,130)	(4,160)	1,970
Fund Balance - Beginning of Year	6,130	6,130	35,994	29,864
Fund Balance - End of Year	\$0	\$0	\$31,834	\$31,834

VILLAGE OF DUNDEE

1993 General Obligation Bonds Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$150	\$150	\$173	\$23
Expenditures:				
Debt service:				
Principal	40,000	40,000	40,000	0
Interest	4,400	4,400	3,300	1,100
Agent fees	400	400	200	200
Total Expenditures	44,800	44,800	43,500	1,300
Excess (Deficiency) of Revenues over Expenditures	(44,650)	(44,650)	(43,327)	1,323
Other Financing Sources (Uses):				
Operating transfers in	44,650	44,650	44,650	0
Net Change in Fund Balance	0	0	1,323	1,323
Fund Balance - Beginning of Year	5,080	5,080	5,080	0
Fund Balance - End of Year	\$5,080	\$5,080	\$6,403	\$1,323

VILLAGE OF DUNDEE

1993 Michigan Transportation Fund (MTF) Bonds Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$70	\$70	\$107	\$37
Expenditures:				
Debt service:				
Principal	30,000	30,000	30,000	0
Interest	3,195	3,195	2,400	795
Agent fees	400	400	200	200
Total Expenditures	33,595	33,595	32,600	995
Excess (Deficiency) of Revenues over Expenditures	(33,525)	(33,525)	(32,493)	1,032
Other Financing Sources (Uses):				
Operating transfers in	33,525	33,525	33,525	0
Net Change in Fund Balance	0	0	1,032	1,032
Fund Balance - Beginning of Year	1,723	1,723	1,723	0
Fund Balance - End of Year	\$1,723	\$1,723	\$2,755	\$1,032

VILLAGE OF DUNDEE

*1994 Downtown Development Authority (LTGO) Bonds
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$100	\$100	\$514	\$414
Expenditures:				
Debt service:				
Principal	120,000	120,000	120,000	0
Interest	54,380	54,380	54,373	7
Agent fees	250	250	250	0
Total Expenditures	<u>174,630</u>	<u>174,630</u>	<u>174,623</u>	<u>7</u>
Excess (Deficiency) of Revenues over Expenditures	(174,530)	(174,530)	(174,109)	421
Other Financing Sources (Uses):				
Operating transfers in	<u>174,530</u>	<u>174,530</u>	<u>174,530</u>	<u>0</u>
Net Change in Fund Balance	0	0	421	421
Fund Balance - Beginning of Year	<u>1,139</u>	<u>1,139</u>	<u>1,139</u>	<u>0</u>
Fund Balance - End of Year	<u>\$1,139</u>	<u>\$1,139</u>	<u>\$1,560</u>	<u>\$421</u>

VILLAGE OF DUNDEE

*1996 Michigan Transportation Fund (MTF) Bonds
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$11	\$11	\$14	\$3
Expenditures:	0	0	0	0
Excess (Deficiency) of Revenues over Expenditures	11	11	14	3
Other Financing Sources (Uses):				
Operating transfers out	0	0	(1,269)	(1,269)
Net Change in Fund Balance	11	11	(1,255)	(1,266)
Fund Balance - Beginning of Year	1,255	1,255	1,255	0
Fund Balance - End of Year	\$1,266	\$1,266	\$0	(\$1,266)

VILLAGE OF DUNDEE

1996 Special Assessment Bonds (Outer Drive Drainage)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$116	\$139	\$23	(\$116)
Expenditures:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	116	139	23	(116)
Other Financing Sources (Uses):				
Operating transfers out	<u>0</u>	<u>(4,396)</u>	<u>(4,396)</u>	<u>0</u>
Net Change in Fund Balance	116	(4,257)	(4,373)	(116)
Fund Balance - Beginning of Year	<u>4,373</u>	<u>4,373</u>	<u>4,373</u>	<u>0</u>
Fund Balance - End of Year	<u>\$4,489</u>	<u>\$116</u>	<u>\$0</u>	<u>(\$116)</u>

VILLAGE OF DUNDEE

1998 General Obligation Bonds Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$10	\$10	\$51	\$41
Expenditures:				
Debt service:				
Principal	10,000	10,000	10,000	0
Interest	2,970	2,970	2,970	0
Total Expenditures	12,970	12,970	12,970	0
Excess (Deficiency) of Revenues over Expenditures	(12,960)	(12,960)	(12,919)	41
Other Financing Sources (Uses):				
Operating transfers in	12,960	12,960	12,960	0
Net Change in Fund Balance	0	0	41	41
Fund Balance - Beginning of Year	7,650	7,650	7,650	0
Fund Balance - End of Year	\$7,650	\$7,650	\$7,691	\$41

VILLAGE OF DUNDEE

1998 Special Assessment Bonds (Stowell/Commerce)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Special assessment	\$31,094	\$31,904	\$32,159	(\$255)
Interest	11,554	11,554	11,567	13
Total Revenues	42,648	43,458	43,726	(242)
Expenditures:				
Debt service:				
Principal	30,000	30,000	30,000	0
Interest	9,410	9,410	9,405	5
Agent fees	150	150	0	150
Total Expenditures	39,560	39,560	39,405	155
Net Change in Fund Balance	3,088	3,898	4,321	(87)
Fund Balance - Beginning of Year	1,862	1,862	56,056	54,194
Fund Balance - End of Year	\$4,950	\$5,760	\$60,377	\$54,107

VILLAGE OF DUNDEE

1999 Special Assessment Bonds (Oak/Waterstradt)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Special assessment	\$34,363	\$34,363	\$30,762	(\$3,601)
Interest	4,066	4,066	4,312	246
Total Revenues	38,429	38,429	35,074	(3,355)
Expenditures:				
Debt service:				
Principal	40,000	40,000	40,000	0
Interest	3,260	3,260	3,260	0
Agent fees	275	275	275	0
Total Expenditures	43,535	43,535	43,535	0
Net Change in Fund Balance	(5,106)	(5,106)	(8,461)	(3,355)
Fund Balance - Beginning of Year	5,106	5,106	70,821	65,715
Fund Balance - End of Year	\$0	\$0	\$62,360	\$62,360

VILLAGE OF DUNDEE

2000 Special Assessment Bonds (Industrial Complex)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Special assessment	\$30,000	\$30,000	\$30,000	\$0
Interest	7,892	7,892	8,315	423
Total Revenues	37,892	37,892	38,315	423
Expenditures:				
Debt service:				
Principal	30,000	30,000	30,000	0
Interest	6,990	6,990	6,988	2
Agent fees	275	275	275	0
Total Expenditures	37,265	37,265	37,263	2
Net Change in Fund Balance	627	627	1,052	425
Fund Balance - Beginning of Year	80,830	80,830	80,830	0
Fund Balance - End of Year	<u>\$81,457</u>	<u>\$81,457</u>	<u>\$81,882</u>	<u>\$425</u>

VILLAGE OF DUNDEE

2001 Special Assessment Bonds (Rawson Street)
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessment	\$10,657	\$10,657	\$10,657	\$0
Interest	<u>6,808</u>	<u>6,808</u>	<u>6,909</u>	<u>101</u>
Total Revenues	17,465	17,465	17,566	101
Expenditures:				
Debt service:				
Principal	15,000	15,000	15,000	0
Interest	7,010	7,010	7,009	1
Agent fees	<u>250</u>	<u>250</u>	<u>250</u>	<u>0</u>
Total Expenditures	<u>22,260</u>	<u>22,260</u>	<u>22,259</u>	<u>1</u>
Net Change in Fund Balance	(4,795)	(4,795)	(4,693)	102
Fund Balance - Beginning of Year	<u>4,795</u>	<u>4,795</u>	<u>61,467</u>	<u>56,672</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$56,774</u>	<u>\$56,774</u>

VILLAGE OF DUNDEE

*2004 Installment Purchase (141 Riley)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:	\$0	\$0	\$0	\$0
Expenditures:				
Debt service:				
Principal	16,447	16,447	16,392	55
Interest	4,807	4,807	4,776	31
Total Expenditures	21,254	21,254	21,168	86
Excess (Deficiency) of Revenues over Expenditures	(21,254)	(21,254)	(21,168)	86
Other Financing Sources (Uses):				
Operating transfers in	21,254	21,254	21,168	(86)
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of Year	0	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0	\$0

VILLAGE OF DUNDEE

2004 Special Assessment Bonds (First Street)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Special assessment	\$15,326	\$15,326	\$15,326	\$0
Interest	5,100	5,100	5,012	(88)
Total Revenues	20,426	20,426	20,338	(88)
Expenditures:				
Debt service:				
Principal	20,000	20,000	20,000	0
Interest	4,188	4,188	4,188	0
Agent fees	200	200	0	200
Total Expenditures	24,388	24,388	24,188	200
Net Change in Fund Balance	(3,962)	(3,962)	(3,850)	112
Fund Balance - Beginning of Year	3,962	3,962	31,535	27,573
Fund Balance - End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$27,685</u>	<u>\$27,685</u>

VILLAGE OF DUNDEE

2005 Capital Improvement General Obligation Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$50	\$50	\$48	(\$2)
Expenditures:				
Debt service:				
Principal	100,000	100,000	100,000	0
Interest	73,050	73,050	73,036	14
Agent fees	200	200	0	200
Total Expenditures	<u>173,250</u>	<u>173,250</u>	<u>173,036</u>	<u>214</u>
Excess (Deficiency) of Revenues over Expenditures	(173,200)	(173,200)	(172,988)	212
Other Financing Sources (Uses):				
Operating transfers in	<u>173,200</u>	<u>173,200</u>	<u>173,200</u>	<u>0</u>
Net Change in Fund Balance	0	0	212	212
Fund Balance - Beginning of Year	<u>1,012</u>	<u>1,012</u>	<u>1,012</u>	<u>0</u>
Fund Balance - End of Year	<u>\$1,012</u>	<u>\$1,012</u>	<u>\$1,224</u>	<u>\$212</u>

VILLAGE OF DUNDEE

2005 Ford Installment Loan
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$0	\$0	\$0	\$0
Expenditures:				
Debt service:				
Principal	20,557	20,557	20,557	0
Interest	<u>2,084</u>	<u>2,084</u>	<u>2,084</u>	<u>0</u>
Total Expenditures	<u>22,641</u>	<u>22,641</u>	<u>22,641</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	(22,641)	(22,641)	(22,641)	0
Other Financing Sources (Uses):				
Operating transfers in	<u>22,641</u>	<u>22,641</u>	<u>22,641</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VILLAGE OF DUNDEE

2005 Vactor Installment Loan
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:	\$0	\$0	\$0	\$0
Expenditures:				
Debt service:				
Principal	16,000	16,000	16,000	0
Interest	<u>6,063</u>	<u>6,063</u>	<u>6,063</u>	<u>0</u>
Total Expenditures	<u>22,063</u>	<u>22,063</u>	<u>22,063</u>	<u>0</u>
Excess (Deficiency) of Revenues over Expenditures	(22,063)	(22,063)	(22,063)	0
Other Financing Sources (Uses):				
Operating transfers in	<u>22,063</u>	<u>22,063</u>	<u>22,063</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance - Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VILLAGE OF DUNDEE

2006 Capital Improvement General Obligation Statement of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual Year Ended February 29, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Interest	\$10	\$10	\$74	\$64
Expenditures:				
Debt service:				
Interest	57,450	57,450	57,443	7
Agent fees	200	200	0	200
Total Expenditures	57,650	57,650	57,443	207
Excess (Deficiency) of Revenues over Expenditures	(57,640)	(57,640)	(57,369)	271
Other Financing Sources (Uses):				
Operating transfers in	57,774	57,774	57,774	0
Net Change in Fund Balance	134	134	405	271
Fund Balance - Beginning of Year	0	0	0	0
Fund Balance - End of Year	\$134	\$134	\$405	\$271

VILLAGE OF DUNDEE

*2007 Capital Improvement General Obligation
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
Year Ended February 29, 2008*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Interest	\$50	\$50	\$3	(\$47)
Expenditures:				
Debt service:				
Interest	22,637	22,637	22,637	0
Agent fees	<u>300</u>	<u>300</u>	<u>138</u>	<u>162</u>
Total Expenditures	<u>22,937</u>	<u>22,937</u>	<u>22,775</u>	<u>162</u>
Excess (Deficiency) of Revenues over Expenditures	(22,887)	(22,887)	(22,772)	115
Other Financing Sources (Uses):				
Operating transfers in	<u>22,887</u>	<u>22,887</u>	<u>22,887</u>	<u>0</u>
Net Change in Fund Balance	0	0	115	115
Fund Balance - Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$115</u>	<u>\$115</u>

INTERNAL SERVICE FUNDS

1. Unemployment Compensation - General Fund
2. Unemployment Compensation - Water and Sewer Fund

VILLAGE OF DUNDEE

Internal Service Funds Unemployment Compensation Combining Statement of Net Assets February 29, 2008

	General	Water and Sewage	Totals
Assets			
Cash and money management accounts	<u>\$34,300</u>	<u>\$25,500</u>	<u>\$59,800</u>
Fund Equity			
Net Assets - unrestricted	<u>\$34,300</u>	<u>\$25,500</u>	<u>\$59,800</u>

Combining Statement of Revenues, Expenses and Changes in Net Assets Year Ended February 29, 2008

Operating income	\$0	\$0	\$0
Operating expenses	<u>0</u>	<u>0</u>	<u>0</u>
Operating Income	0	0	0
Non-Operating Revenues (Expenses)			
Interest income	<u>1,548</u>	<u>1,151</u>	<u>2,699</u>
Total Non-operating Revenues (Expenses)	<u>1,548</u>	<u>1,151</u>	<u>2,699</u>
Net Income (Loss)	1,548	1,151	2,699
Net Assets - Beginning of Year	<u>32,752</u>	<u>24,349</u>	<u>57,101</u>
Net Assets - End of Year	<u>\$34,300</u>	<u>\$25,500</u>	<u>\$59,800</u>

VILLAGE OF DUNDEE*Internal Service Funds Unemployment Compensation
Combining Statement of Cash Flows
Year Ended February 29, 2008*

	<u>General</u>	<u>Water and Sewage</u>	<u>Totals</u>
Cash Flows from Operating Activities:			
Operating income	\$0	\$0	\$0
Cash Flows from Non-Capital Financing Activities:			
Transfer to General Fund	0	0	0
Cash Flows from Investing Activities:			
Interest income	<u>1,548</u>	<u>1,151</u>	<u>2,699</u>
Net Increase in Cash and Cash Equivalents	1,548	1,151	2,699
Cash and Cash Equivalents - Beginning of Year	<u>32,752</u>	<u>24,349</u>	<u>57,101</u>
Cash and Cash Equivalents - End of Year	<u><u>\$34,300</u></u>	<u><u>\$25,500</u></u>	<u><u>\$59,800</u></u>

AGENCY FUNDS

1. Accounts Payable Fund
2. Payroll Fund
3. Tax Collection Fund

VILLAGE OF DUNDEE

Fiduciary Funds Combining Statement of Assets and Liabilities February 29, 2008

	Agency Funds			Totals
	Accounts Payable	Payroll	Tax Collection	
Assets				
Cash and money management accounts	\$1,284	\$5,567	\$16,141	\$22,992
Total Assets	<u>\$1,284</u>	<u>\$5,567</u>	<u>\$16,141</u>	<u>\$22,992</u>
Liabilities				
Due to other funds	\$246	\$196	\$12,827	\$13,269
Other liabilities	<u>1,038</u>	<u>5,371</u>	<u>3,314</u>	<u>9,723</u>
Total Liabilities	<u>\$1,284</u>	<u>\$5,567</u>	<u>\$16,141</u>	<u>\$22,992</u>

VILLAGE OF DUNDEE

Fiduciary Funds *Combining Statement of Changes in Assets and Liabilities - All Agency Funds* *February 29, 2008*

ACCOUNTS PAYABLE FUND

	Balance February 28, 2007	Additions	Deductions	Balance February 29, 2008
Assets				
Cash and money management accounts	\$1,038	\$3,482,575	\$3,482,329	\$1,284
Total Assets	<u>\$1,038</u>	<u>\$3,482,575</u>	<u>\$3,482,329</u>	<u>\$1,284</u>
Liabilities				
Due to other funds	\$0	\$246	\$0	\$246
Other liabilities	1,038	3,482,329	3,482,329	1,038
Total Liabilities	<u>\$1,038</u>	<u>\$3,482,575</u>	<u>\$3,482,329</u>	<u>\$1,284</u>

PAYROLL FUND

Assets				
Cash and money management accounts	\$4,105	\$1,768,944	\$1,767,482	\$5,567
Total Assets	<u>\$4,105</u>	<u>\$1,768,944</u>	<u>\$1,767,482</u>	<u>\$5,567</u>
Liabilities				
Due to other funds	\$37	\$196	\$37	\$196
Other liabilities	4,105	1,768,944	1,767,678	5,371
Total Liabilities	<u>\$4,142</u>	<u>\$1,769,140</u>	<u>\$1,767,715</u>	<u>\$5,567</u>

TAX COLLECTION FUND

Assets				
Cash and money management accounts	\$28,177	\$2,933,735	\$2,945,771	\$16,141
Total Assets	<u>\$28,177</u>	<u>\$2,933,735</u>	<u>\$2,945,771</u>	<u>\$16,141</u>
Liabilities				
Due to other funds	\$21,933	\$2,933,735	\$2,942,841	\$12,827
Other liabilities	6,244	297,039	299,969	3,314
Total Liabilities	<u>\$28,177</u>	<u>\$3,230,774</u>	<u>\$3,242,810</u>	<u>\$16,141</u>

VILLAGE OF DUNDEE

Fiduciary Funds
Combining Statement of Changes in Assets and Liabilities - All Agency Funds (Concluded)
February 29, 2008

TOTALS - ALL AGENCY FUNDS

	Balance February 28, 2007	Additions	Deductions	Balance February 29, 2008
Assets				
Cash and money management accounts	\$33,320	\$8,185,254	\$8,195,582	\$22,992
Due from other funds	0	0	0	0
Total Assets	<u>\$33,320</u>	<u>\$8,185,254</u>	<u>\$8,195,582</u>	<u>\$22,992</u>
Liabilities				
Due to other funds	\$21,970	\$2,934,177	\$2,942,878	\$13,269
Other liabilities	11,387	5,548,312	5,549,976	9,723
Total Liabilities	<u>\$33,357</u>	<u>\$8,482,489</u>	<u>\$8,492,854</u>	<u>\$22,992</u>

DISCRETELY PRESENTED COMPONENT UNITS

1. Downtown Development Authority
2. Local Development Finance Authority - Water Plant
3. Local Development Finance Authority - Global Engine Alliance
4. Economic Development Corporation
5. Brownfield Redevelopment Authority

VILLAGE OF DUNDEE

Downtown Development Authority - Component Unit Combining Balance Sheet/Statement of Net Assets February 29, 2008

	Total Modified Accrual Basis	Adjustments	Statement of Net Assets
Assets			
Cash and money management account	\$563,651	\$0	\$563,651
Due from other governments	206,156	0	206,156
Accrued interest receivable	737	0	737
Total Assets	<u>\$770,544</u>	<u>0</u>	<u>770,544</u>
Liabilities			
Accounts payable	\$4,021	0	4,021
Due to other funds	368	0	368
Total Liabilities	4,389	0	4,389
Fund Equity			
Unreserved	<u>766,155</u>	<u>(766,155)</u>	<u>0</u>
Total Fund Equity	<u>766,155</u>	<u>(766,155)</u>	<u>0</u>
Total Liabilities and Fund Equity	<u>\$770,544</u>		
Net Assets			
Unrestricted		<u>766,155</u>	<u>766,155</u>
Total Net Assets		<u>\$766,155</u>	<u>\$766,155</u>

VILLAGE OF DUNDEE

Downtown Development Authority - Component Unit Combining Statement of Revenues, Expenditures, and Changes in Fund Balance/Net Assets Year Ended February 29, 2008

	Total Modified Accrual Basis	Adjustments	Statement of Activities
Revenues:			
Taxes	\$316,160	\$0	\$316,160
Misc	300	0	300
Interest	19,495	0	19,495
 Total Revenues	 335,955	 0	 335,955
Expenditures:			
Public works	77,064	0	77,064
 Total Expenditures	 77,064	 0	 77,064
 Excess (Deficiency) of Revenues over Expenditures	 258,891	 0	 258,891
Other Financing Sources (Uses):			
Operating transfers out	(201,743)	0	(201,743)
 Total Other Financing Sources (Uses)	 (201,743)	 0	 (201,743)
 Change in Fund Balance/Net Assets	 57,148	 0	 57,148
 Fund Balance/Net Assets - Beginning of Year	 709,007	 0	 709,007
 Fund Balance/Net Assets - End of Year	 <u>\$766,155</u>	 <u>\$0</u>	 <u>\$766,155</u>

VILLAGE OF DUNDEE

Local Development Finance Authority Water Plant - Component Unit *Balance Sheet/Statement of Net Assets* *February 29, 2008*

	Modified Accrual Basis	Adjustments	Statement of Net Assets
Assets			
Cash and money management account	\$627,504	\$0	\$627,504
Due from other governments	165,085	0	165,085
Accrued interest receivable	736		736
 Total Assets	 <u>\$793,325</u>	 <u>0</u>	 <u>793,325</u>
 Liabilities			
Due to other funds	\$11,061	0	11,061
 Total Liabilities	 11,061	 0	 11,061
 Fund Equity			
Unreserved	782,264	(782,264)	0
 Total Fund Equity	 782,264	 (782,264)	 0
 Total Liabilities and Fund Equity	 <u>\$793,325</u>		
 Net Assets			
Unrestricted		782,264	782,264
 Total Net Assets		 <u>\$782,264</u>	 <u>\$782,264</u>

VILLAGE OF DUNDEE

Local Development Finance Authority Water Plant - Component Unit Statement of Revenues, Expenditures, and Changes in Fund Balance/Net Assets Year Ended February 29, 2008

	Modified Accrual Basis	Adjustments	Statement of Activities
Revenues:			
Taxes	\$311,152	\$0	\$311,152
Interest	20,465	0	20,465
Total Revenues	331,617	0	331,617
Expenditures:			
Public works	800	0	800
Total Expenditures	800	0	800
Excess (Deficiency) of Revenues over Expenditures	330,817	0	330,817
Other Financing Sources (Uses):			
Operating transfers out	(285,831)	0	(285,831)
Total Other Financing Sources (Uses)	(285,831)	0	(285,831)
Change in Fund Balance/Net Assets	44,986	0	44,986
Fund Balances/ Net Assets - Beginning of Year	737,278	0	737,278
Fund Balances/ Net Assets - End of Year	<u>\$782,264</u>	<u>\$0</u>	<u>\$782,264</u>

VILLAGE OF DUNDEE

Local Development Finance Authority Global Engine Alliance - Component Unit Combining Balance Sheet/Statement of Net Assets February 29, 2008

	Global Engine Alliance	LDFA #3 Debt	Account Group General Long-term Debt	Total Modified Accrual Basis	Adjustments	Statement of Net Assets
Assets						
Cash and money management account	\$1,192,679	\$84,641	\$0	\$1,277,320	\$0	\$1,277,320
Due from other governments	228,638	0	0	228,638	0	228,638
Due from other funds/Internal balances	7,900	0	0	7,900	0	7,900
Bond issuance costs (net of amortizations)	0	0	0	0	115,500	115,500
Capital assets (net of depreciation)	0	0	0	0	6,040,047	6,040,047
Amount available in Debt Service Fund	0	0	84,641	84,641	(84,641)	0
Amount to be provided for long-term debt	0	0	5,495,359	5,495,359	(5,495,359)	0
Total Assets	\$1,429,217	\$84,641	\$5,580,000	\$7,093,858	575,547	7,669,405
Liabilities						
Accounts payable	\$0	\$0	\$0	\$0	0	0
Debt with government commitment net of bond discount	0	0	5,580,000	5,580,000	(25,600)	5,554,400
Total Liabilities	0	0	5,580,000	5,580,000	(25,600)	5,554,400
Fund Equity						
Reserved for debt service	0	84,641	0	84,641	(84,641)	0
Unreserved	1,429,217	0	0	1,429,217	(1,429,217)	0
Total Fund Equity	1,429,217	84,641	0	1,513,858	(1,513,858)	0
Total Liabilities and Fund Equity	\$1,429,217	\$84,641	\$5,580,000	\$7,093,858		
Net Assets						
Invested in capital assets (net of related debt)					460,047	460,047
Restricted for debt service					84,641	84,641
Unrestricted					1,570,317	1,570,317
Total Net Assets					\$2,115,005	\$2,115,005

VILLAGE OF DUNDEE

Local Development Finance Authority Global Engine Alliance - Component Unit Combining Statement of Revenues, Expenditures, and Changes in Fund Balance/Net Assets Year Ended February 29, 2008

	Global Engine Alliance	LDFA #3 Debt	Total Modified Accrual Basis	Adjustments	Statement of Activities
Revenues:					
Taxes	\$1,097,057	\$0	\$1,097,057	\$0	\$1,097,057
Interest	10,090	1,815	11,905	0	11,905
Total Revenues	1,107,147	1,815	1,108,962	0	1,108,962
Expenditures:					
Public works	43,270	0	43,270	113,025	156,295
Debt service	0	390,545	390,545	(121,000)	269,545
Total Expenditures	43,270	390,545	433,815	(7,975)	425,840
Excess (Deficiency) of Revenues over Expenditures	1,063,877	(388,730)	675,147	7,975	683,122
Other Financing Sources (Uses):					
Operating transfers in	76,716	390,556	467,272	(390,556)	76,716
Operating transfers out	(972,664)	0	(972,664)	390,556	(582,108)
Total Other Financing Sources (Uses)	(895,948)	390,556	(505,392)	0	(505,392)
Change in Fund Balance/Net Assets	167,929	1,826	169,755	7,975	177,730
Fund Balances/ Net Assets - Beginning of Year	1,261,288	82,815	1,344,103	593,172	1,937,275
Fund Balances/ Net Assets - End of Year	\$1,429,217	\$84,641	\$1,513,858	\$601,147	\$2,115,005

VILLAGE OF DUNDEE

Economic Development Corporation - Component Unit Combining Balance Sheet/Statement of Net Assets February 29, 2008

	Economic Development	EDC Debt	Account Group General Long-term Debt	Total Modified Accrual Basis	Adjustments	Statement of Net Assets
Assets						
Cash and money management account	\$109,934	\$231,806	\$0	\$341,740	\$0	\$341,740
Due from other governments	0	174,818	0	174,818	0	174,818
Due from other funds/Internal balances	0	0	0	0	0	0
Capital assets (net of depreciation)	0	0	0	0	10,673,864	10,673,864
Amount available in Debt Service Fund	0	0	406,624	406,624	(406,624)	0
Amount to be provided for long-term debt	0	0	11,928,441	11,928,441	(11,928,441)	0
Total Assets	<u>\$109,934</u>	<u>\$406,624</u>	<u>\$12,335,065</u>	<u>\$12,851,623</u>	<u>(1,661,201)</u>	<u>11,190,422</u>
Liabilities						
Debt with government commitment	\$0	\$0	\$12,335,065	\$12,335,065	0	12,335,065
Total Liabilities	0	0	12,335,065	12,335,065	0	12,335,065
Fund Equity						
Reserved for debt service	0	406,624	0	406,624	(406,624)	0
Unreserved	109,934	0	0	109,934	(109,934)	0
Total Fund Equity	<u>109,934</u>	<u>406,624</u>	<u>0</u>	<u>516,558</u>	<u>(516,558)</u>	<u>0</u>
Total Liabilities and Fund Equity	<u>\$109,934</u>	<u>\$406,624</u>	<u>\$12,335,065</u>	<u>\$12,851,623</u>		
Net Assets						
Invested in capital assets (net of related debt)					(1,661,201)	(1,661,201)
Restricted for debt service					406,624	406,624
Unrestricted					109,934	109,934
Total Net Assets (Deficit)					<u>(\$1,144,643)</u>	<u>(\$1,144,643)</u>

VILLAGE OF DUNDEE

Economic Development Corporation - Component Unit
Combining Statement of Revenues, Expenditures, and Changes in
Fund Balance/Net Assets
Year Ended February 29, 2008

	Economic Development Corporation	2001 EDC Debt	Total Modified Accrual Basis	Adjustments	Statement of Activities
Revenues:					
Taxes	\$0	\$174,818	\$174,818	\$0	\$174,818
Interest and rentals	2,933	4,847	7,780	0	7,780
Other income	0	0	0	0	0
Total Revenues	2,933	179,665	182,598	0	182,598
Expenditures:					
Public works	1,432	0	1,432	276,867	278,299
Debt service	0	346,900	346,900	0	346,900
Total Expenditures	1,432	346,900	348,332	276,867	625,199
Excess (Deficiency) of					
Revenues over Expenditures	1,501	(167,235)	(165,734)	(276,867)	(442,601)
Other Financing Sources (Uses):					
Operating transfers in	0	209,851	209,851	0	209,851
Total Other Financing Sources (Uses)	0	209,851	209,851	0	209,851
Change in Fund Balance/Net Assets	1,501	42,616	44,117	(276,867)	(232,750)
Fund Balances/ Net Assets (Deficit) - Beginning of Year	108,433	364,008	472,441	(1,384,334)	(911,893)
Fund Balances/ Net Assets (Deficit) - End of Year	\$109,934	\$406,624	\$516,558	(\$1,661,201)	(\$1,144,643)

VILLAGE OF DUNDEE

Brownfield Redevelopment Authority - Component Unit *Balance Sheet/Statement of Net Assets* *February 29, 2008*

	Modified Accrual Basis	Adjustments	Statement of Net Assets
Assets			
Cash and money management account	\$180,085	\$0	\$180,085
Due from other governments	93,862	0	93,862
Accrued Interest	250	0	250
Total Assets	<u>\$274,197</u>	<u>0</u>	<u>274,197</u>
Liabilities	\$0	0	0
Fund Equity			
Reserved for debt service	<u>274,197</u>	<u>(274,197)</u>	<u>0</u>
Total Fund Equity	<u>274,197</u>	<u>(274,197)</u>	<u>0</u>
Total Liabilities and Fund Equity	<u>\$274,197</u>		
Net Assets			
Restricted for debt service		<u>274,197</u>	<u>274,197</u>
Total Net Assets		<u>\$274,197</u>	<u>\$274,197</u>

VILLAGE OF DUNDEE

*Brownfield Redevelopment Authority - Component Unit
Statement of Revenues, Expenditures, and Changes in
Fund Balance/Net Assets
Year Ended February 29, 2008*

	Modified Accrual Basis	Adjustments	Statement of Activities
Revenues:			
Taxes	\$150,841	\$0	\$150,841
Interest and rentals	8,038	0	8,038
Total Revenues	158,879	0	158,879
Expenditures:			
Public works	274,948	0	274,948
Excess (Deficiency) of Revenues over Expenditures	(116,069)	0	(116,069)
Other Financing Sources (Uses):			
Operating transfers out	(5,000)	0	(5,000)
Total Other Financing Sources (Uses)	(5,000)	0	(5,000)
Change in Fund Balance/Net Assets	(121,069)	0	(121,069)
Fund Balance/ Net Assets - Beginning of Year	395,266	0	395,266
Fund Balance/ Net Assets - End of Year	<u>\$274,197</u>	<u>\$0</u>	<u>\$274,197</u>